A U.S. DEPARTMENT OF COMMERCE WEEKLY

International Commerce

April 8, 1968

GERMANY: market on the rebound

International Trade Winds

Company News

AIR FREIGHT—Wings & Wheels/Air Express International, New York, has announced the appointment of Bali Indonesia, Ltd., as its forwarding agent in Djakarta, Indonesia. Bali Indonesia serves Bali, Djalah, Sanur, and Den Pasar, and is engaged in banking, shipping, and travel, in addition to air freight forwarding.

DATA PROCESSING—Honeywell, Inc., Minneapolis, Minn., has announced the establishment of a branch office in Bombay, India. The new office, which will serve markets in India, Ceylon, Burma, Nepal, and Afghanistan, will handle distribution of Honeywell's products in the computer and aerospace and defense categories. Distribution of the firm's other products will still be handled by Blue Star Engineering, Bombay, Honeywell's Indian distributor since 1952.

BANKING—American Express International Banking Corp., New York, has opened a full commercial banking office in Djakarta, Indonesia. The new branch, the only foreign bank office now in Indonesia, will offer such services as letters of credit, business loans, collections, foreign exchange, and acceptance of commercial deposits. American Express now maintains 44 banking branches and subsidiaries in 16 countries around the world.

INFORMATION EQUIPMENT—Raytheon Co., Lexington, Mass., has announced that it will supply new information display units to speed reservation service and simplify passenger movements in major cities served by Iberia Airlines in Europe and the United States. The Iberia system will employ some 250 Raytheon digital information display systems and 19 central control units. Iberia staff will be able to obtain information almost instantaneously from a central processor, with answers displayed on small television-like screens. Raytheon has supplied similar systems to Air France, American Airlines, American Telephone and Telegraph, and Rolls Royce.

Newsletter

This week Commerce's 42 Field Offices become 43, in a special way. The 43rd is in the Texas International Trade Center, at San Antonio's HemisFair '68. Three Texas groups: the state Industrial Commission, Manufacturers Assn. and International Trade Assn. got together with Commerce Dept. to set up the temporary but full-service Field Office in a building which has conference rooms, lounge and other facilities for businessmen at the fair.

Eleven Arizona businessmen crossed the border into Mexico and did $413,000 in sales, with about $800,000 more due in the next year. It was the State's first Trade Mission, organized by the Arizona Regional Export Expansion Council and the Arizona World Trade Assn., and assisted by the U.S. Dept. of Commerce. Five of the members will return to Mexico soon on followup visits. Four of these men had never been more than 120 miles south of the border before their trade mission visit.

Biggest showcase for U.S. products in Central America is the International Fair in San Salvador. The third renewal of this show, to be held next Nov. 9-30, expects exhibits from 20 countries. Best results at a fair of this kind are obtained by companies showing the equipment wanted most by buyers. U.S. Commercial Officers have already held more than 80 interviews with plant executives, agents, distributors and government officials, to pinpoint such equipment information. Some of it was presented in our special Central America issue last week; for full details write Bureau of International Commerce-942, U.S. Dept. of Commerce, Washington, D.C. 20230.

It's hello to the Export-Import Bank of the United States, formerly known as the Export-Import Bank of Washington. But the news now about Eximbank is not a name change, but its liberalization of its discount loan program to stimulate more U.S. exports. The action is aimed directly at the commercial banks of the country, to encourage them toward more export financing. How to apply under the discount loan program? See the nearest bank—it has been invited by Eximbank to participate.

Winning a fertilizer order in Turkey against international bids was a surprise accomplishment recently for U.S. firms. Commerce's Bureau of International Commerce, which helped in the sale of the 34,000 tons of triple superphosphate, sees it as a possible opening into a rapidly expanding Near East market.

NOTICE: This information is offered to preview or provide informally brief and varied comment on Bureau of International Commerce worldwide export and investment promotions. It is not final and does not substitute for detailed know-how and analysis in our regular news columns.

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Expressions herein from private sources are meant to stimulate thought toward the solution of problems confronting the international businessman and to provide constructive suggestions, but they are personal opinions. Contents of this publication are not copyrighted unless so indicated. Noncopyrighted materials may be reprinted freely. Mention of source will be appreciated. Use of funds for printing this publication approved by the Director of the Bureau of the Budget on June 17, 1966.

the cover

Germany's Hanseatic rival ports of Hamburg and Bremen-Bremerhavan are now in a modern race for leadership in container handling of goods from the U.S. and other countries. Hamburg has mobile cranes up to 30½ tons for loading and unloading container rail cars and road trailers. The Hamburg scene symbolizes the 32-page special section this week on the 1968 German market for U.S. products. Offering material gathered by U.S. Commercial Officers throughout the Federal Republic, with the assistance of the Bureau of International Commerce's Office of International Regional Economics in Washington, the section contains 15 articles. It begins on page 2.

April 8, 1968

Volume 74
Number 15

International Commerce

Published by
BUREAU OF INTERNATIONAL COMMERCE

Special Report

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German market '68: new vigor, changing channels

Lines turning upward on graph after graph told the story. It was time for a close look at the market in West Germany. New directions and newly developing patterns in the ways of moving and merchandising goods in Germany also demanded attention in any German market report.

Against this perspective, a team of experienced commercial-economic observers in the key German cities assembled the material in this special Germany issue of INTERNATIONAL COMMERCE:

► In the American Embassy in Bonn, Financial Officer Richard E. Benedick looked all across the German economic scene to spot the important indicators of 1968 and tell what they mean for U.S. exporters.

► Also in Bonn, the Embassy's Counselor for Commercial Affairs, E. F. Becker, describes 14 product categories—led by machinery—that deserve the special attention of U.S. exporters at this time.

► From Washington, P. T. O'Connor of Commerce Department's Office of International Regional Economics compares Germany's Kennedy Round tariff reductions with the new EEC Common External Tariff structure to show what might be expected after July and into the coming years.

► With the help of Heinz Moeller, publisher of *German International*, an overall assessment of the current status of the major German trade fairs is presented.

► Up-to-date techniques in consumer product merchandising are discussed in three related articles: R. C. Meima of the U.S. Consulate General in Duesseldorf tells why six department store chains and 11 buying groups are major channels in this field; Ollie B. Ellison of the Bremen Consulate General writes on opportunities for special promotions in German retail stores; Arthur Reichenbach of the Stuttgart Consulate General explains the nature and extent of self-service merchandising in Germany today.

► The licensing links of U.S. and German manufacturers come under the scrutiny of John P. Jurecky of the Munich Consulate General, who is aided by a survey of 83 U.S. firms with experience in this field, and another survey in which 99 German firms supply important data.

► Three articles about the transport revolution in Germany are grouped: a look at the impact of container traffic on the busiest times in Hamburg's 800 years, by John G. Weisert of the Consulate General in that city; a news item with significance, the inauguration of the first inland rail container terminal in Frankfurt; a report on the massive building program at Frankfurt's International Airport, already one of Europe's "Big Three" terminals, by James F. Amory of the Frankfurt Consulate General.

► An oft-posed question by American visitors, "How can my firm do business with the U.S. military here in Europe?" gets a detailed answer from Robert E. Day, Jr., of the Frankfurt Consulate General.

► For a description of what the American Chamber of Commerce in Germany means both to the U.S. businessman visiting in the country and those working there, the magazine goes to the chamber's President, Otto Schoeppler.

► A much-headlined subject, U.S. agricultural sales in Germany, is studied both in its problems and opportunities by the Agricultural Attache in the Embassy at Bonn, Dr. Paul G. Minneman.

► Finally, the city of Berlin comes in for analysis by James C. Nelson Economic Officer of the U.S. Mission there, who shows how closely the city is tied to the Federal Republic and to the West.

Supporting material to these articles includes an outline of the German economy today called a Market Profile, and graphs portraying the recent patterns of U.S.-German trade, Germany's exports and imports as related to the world's major trading areas, and the recent growth of the German Gross National Product.

Another feature of this 32-page section is a German-produced map in which the consumer buying power of individual districts is compared. This introduces the articles on consumer product merchandising. The discussion of Germany's trade fairs is complemented by a list of the major exhibitions for the remainder of 1968.

Readers may wish to compare the picture of the German economy in this special issue with that offered in the last previous special Germany issue of INTERNATIONAL COMMERCE, published on Oct. 18, 1965.

Ambassador McGhee tells of export aid

The part that U.S. Commercial Officers can play in assisting American exporters is outlined by retiring U.S. Ambassador George C. McGhee:

As a businessman myself, I recognize that increased U.S. exports depend far more on the efforts of individual firms which have committed themselves to foreign trade than on any program our Government can undertake. Nevertheless, I would like to point out that a considerable part of the activity of our Embassy in Germany is devoted to easing the way for Americans interested in selling there.

McGHEE

Our commercial officers are located in eight cities of the Federal Republic. They are prepared to assist in estimating the market, making individual contacts with potential agents, distributors and buyers, and providing information about potential customers. Often, a letter to our offices in advance of a European trip, or a visit to us after arrival in Germany, can help in appraising the competitive situation.

I personally attended all three U.S. official exhibitions at major German trade fairs in 1967. My talks with the U.S. exhibitors have convinced me of the great opportunities offered—even to those with no previous experience in Germany.

German rally should provide sales openings for U.S. goods as order books top boom levels

Advanced technology aids U.S. producers in specialized areas; liquidity is high, with loan funds available to private interests

By RICHARD E. BENEDICK
Financial Officer,
U.S. Embassy, Bonn

The pace of German recovery is perceptibly quickening. Some key indicators, notably industrial production and new orders, already exceed 1965 boom-year results.

BENEDICK

After a year in which many U.S. exports to Germany were adversely affected by the local recession, the revival of German economic activity will provide increasing scope for the success of sales efforts by American producers.

Although Germany manufactures a broad range of products similar in quality and frequently lower in price than competitive items from the U.S., many American exporters achieve results through emphasizing the uniqueness or advanced state of their products. It is often a question of discovering a specific need and meeting it with a suitable product.

U.S. manufacturers, for example, have a technological lead over their competition in such fields as advanced electronics and sophisticated equipment for nuclear research and engineering.

Opportunities exist in aviation maintenance and ground support equipment, prompting many U.S. producers to participate in the Hanover Air Show in April-May.

The U.S. Trade Center in Frankfurt, which selects its exhibition themes on the basis of intensive studies of maximum export potential, recently completed successful trade shows on cryogenic and vacuum systems and equipment, and materials testing equipment. Similar shows will be held on security equipment, automotive service and maintenance equipment, and transducers and data acquisition systems.

An area of increasing importance is air and water pollution control equipment, particularly in the light of pending legislation on this subject by Federal and local governments. There could thus be profitable opportunities for U.S. producers of measuring and control instruments in which U.S. developments are already ahead of those here.

Of particular significance is the vigor of domestic demand in the capital goods sector, where new orders are 20% or more —depending on the branch—over last year's levels. Machinery, building equipment, shipbuilding, iron and steel, and non-ferrous metals are strong points in the revival of orders.

In the retail and wholesale trade, an exceptionally strong end-of-year performance has been followed by more mixed results in recent weeks. The reduction of inventories induced by the recession and reinforced by uncertainties over the new value-added tax has, however, obviously been reversed.

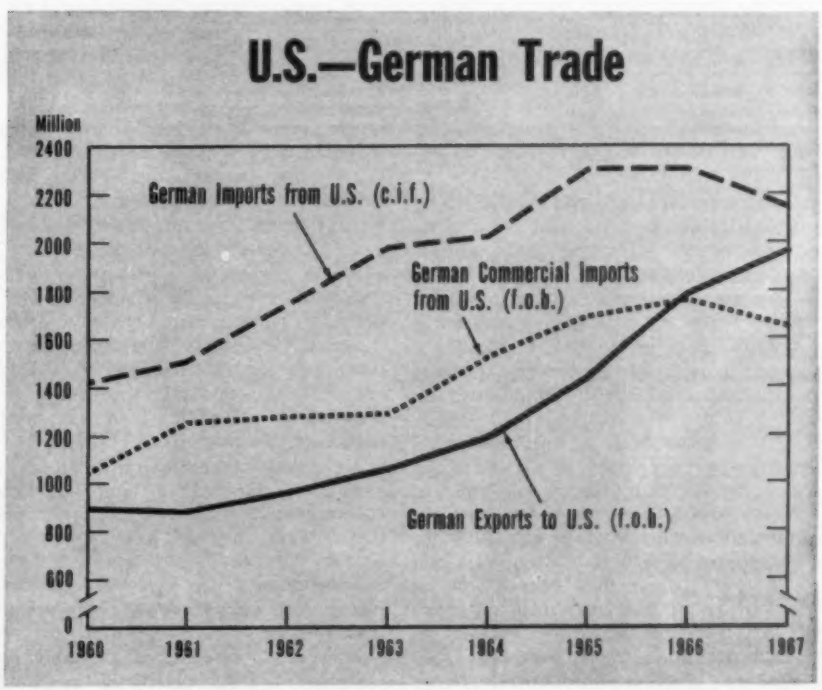
Surveys of businessmen's confidence and plans reveal a continuing growth of optimism for the coming months.

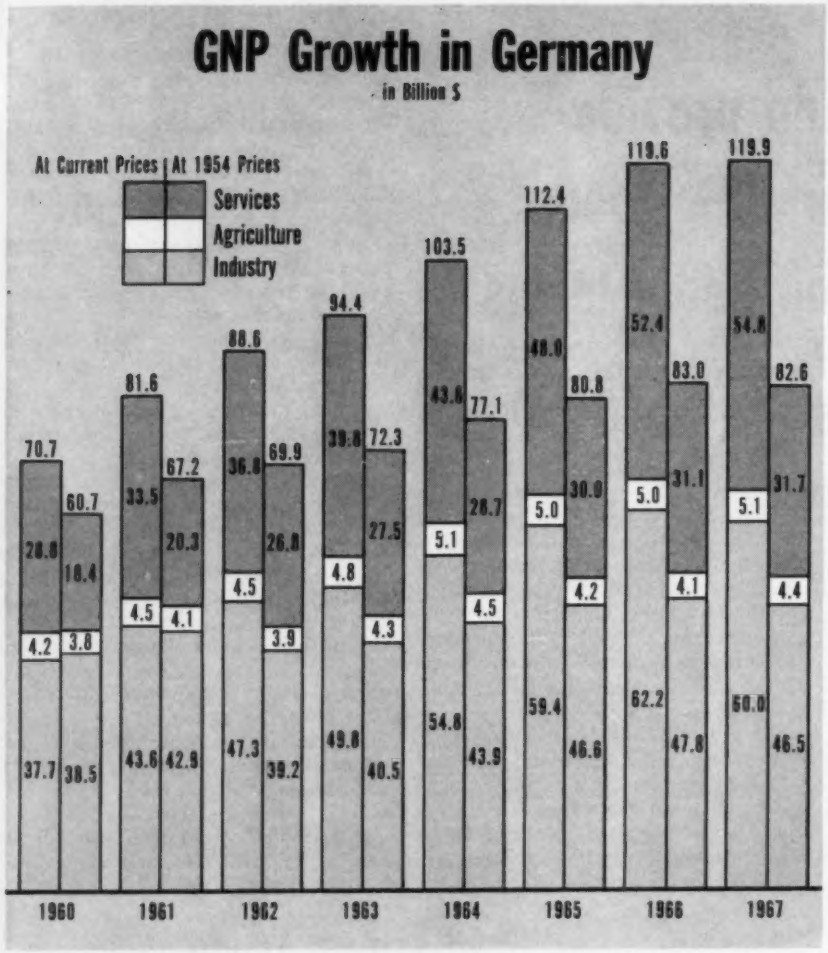
Nevertheless, substantial productive capacity still remains unutilized. Although the proportion of capacity utilization in manufacturing has risen to 82%, it remains lower than at any time between 1959 and late-1966. Total labor potential is also not being fully used.

Recent trends support optimistic predictions for expansion in 1968, with estimates of real GNP growth ranging from the Government's 4% to 5.6% by the respected Ifo Economic Research Institute of Munich. In current prices, expectations vary from 6.2% to 7.3%.

The most important factors in the renewed expansion are an inventory turn-around of massive proportions (approaching $2.5 billion, or 2% of aggregate demand), continued strong foreign demand, and a hoped-for upsurge of 11 to 13% in public investment.

With continuing substantial excess capacity, private investment will still not reach 1965 and 1966 levels, although an





increase of about 7.5% is expected, on the basis of business surveys and an improvement in profits.

Construction should rise by a relatively modest 6.4%, as residential housing requirements are increasingly satisfied over large areas of Germany.

Private consumption will expand more slowly (about 4%) paralleling anticipated wage increases in 1968, and reflecting a slower growth of government transfer payments. Productivity should rise by about 4%.

There is considerable uncertainty and divergence of opinion as to where the economy will be by the end of 1968. On the one hand, the impact of inventory accumulation will progressively diminish, and private investors and the States and local communities may be reluctant to finance large public investment programs to take up the slack.

On the other hand, however, labor market tightness is almost sure to return in the course of the year, and the extent of union wage demands is unpredictable. While some quarters urge further fiscal expansionary measures, the Ifo Institute warns that the Government may well have to restrict demand before the end of 1968.

Resisting pressure from both industrial and labor groups, the Cabinet recently decided against undertaking any further stimulative measures. Among possible actions discussed were reducing the 8% investment tax or refraining from the planned July 1 increase in the value-added tax rate from 10 to 11%.

Nevertheless, the Government emphasizes that it will intervene later should the economy appear unable to reach the 4% real growth target for 1968. Federal sources stress the importance of a strong expansion in public investment to supplement the only modestly rising private investment.

However, four-fifths of all public investments are accounted for by States and local communities, many of which consider themselves at the limits of their indebtedness.

As of Jan. 1, 1968, a transition was made from a cascade turnover tax to a value-added tax at a flat rate of 10% (5% for certain agricultural, educational, and medical products). The new system was officially proclaimed to be neutral in its overall revenue and trade effects, although the border tax adjustments for certain products might be relatively greater or less than under the old system.

Preliminary indications are that the changeover has not resulted in significant price increases, largely due to competitive pressures, consumer selectivity, and the countervailing power of large distributors and merchandisers.

Of a 1.3% increase in the cost-of-living index between December and January, about one-fourth is traceable specifically to rent increases and seasonal food prices, and it is certain that not all of the remainder can be ascribed to the new tax. The highest increases were for hotels, restaurants, and public services, while clothing and electrical products even showed slight declines. Data on export and import prices are not yet available.

The German balance of payments surplus may be declining, due to strong import demand and large private non-bank capital outflows; moreover, net private foreign investment in Germany appears to be slackening.

Theoretically, one could expect that the economic turnaround from recession to renewed expansion would reduce Ger-

Embassy newsletter

The U.S. Embassy in Bonn publishes a trade newsletter in Germany every three months, *USA-Handel*. It is distributed to over 4,000 businessmen, bankers and trade associations in Germany and contains information on U.S. products and firms which are interested in selling in Germany. Some of the addressees give these items secondary distribution to their membership or clients.

If you are interested in sales, obtaining an agent, licensing or some other business arrangement in Germany, arrange with the Department of Commerce for the inclusion of your interest in the next issue of *USA-Handel*.

Write: German Desk, BIC, U.S. Dept. of Commerce, Wash., D.C. 20230.

many's current account surplus. Yet, in the absence of purely external factors, such as the trade effects of the British and other devaluations and the U.S. balance of payments program, it is probable that the German surplus in 1968 would have been at least as high as the $2.4 billion recorded in 1967—despite the recovery. The Government has estimated that the devaluations will reduce Germany's 1968 surplus $500 million lower than it would otherwise be. Even so, the official projection still reaches $1.9 billion. The influence of renewed domestic growth is evident in a projected 10% increase in 1968 imports of goods and services, contrasting with a 2% decline in 1967. This effect is, however, virtually offset by a continued expansion of exports of goods and services, even if at a rate slightly lower than last year (6.4% versus 7.6%).

Initial 1968 data confirm the continuation of substantial trade surpluses. Despite an annual growth rate of imports in January of 12%, the $316 million trade surplus was only slightly lower than in Jan. 1967—and seven times larger than in 1966—due largely to a 7% export growth rate. Moreover, foreign orders are increasing faster than actual exports (11-14%), thus indicating a build-up for potential exports in the coming months.

It thus appears that even a respectable domestic expansion in 1968 will not significantly dent the German external surplus. The implications of this cause some official embarrassment, and both Government and Bundesbank stress that Germany's international responsibility to its trading partners must be taken into consideration in formulating economic and monetary policy.

Liquidity remains high

Despite a considerable upsurge in private demand for both long- and short-term funds, the banking system remains extremely liquid and seeking business. The 1967 expansion of domestic bank credit to the private sector reached $3.9 billion while public authorities absorbed an additional $2.9 billion. The banks have been able both to accommodate the growing demand for funds and to increase their liquid assets, due to the influence of the balance of payments surplus and transactions of public authorities and the Bundesbank.

A substantial part of current credit expansion is accounted for by public requirements for financing counter-cyclical investment programs.

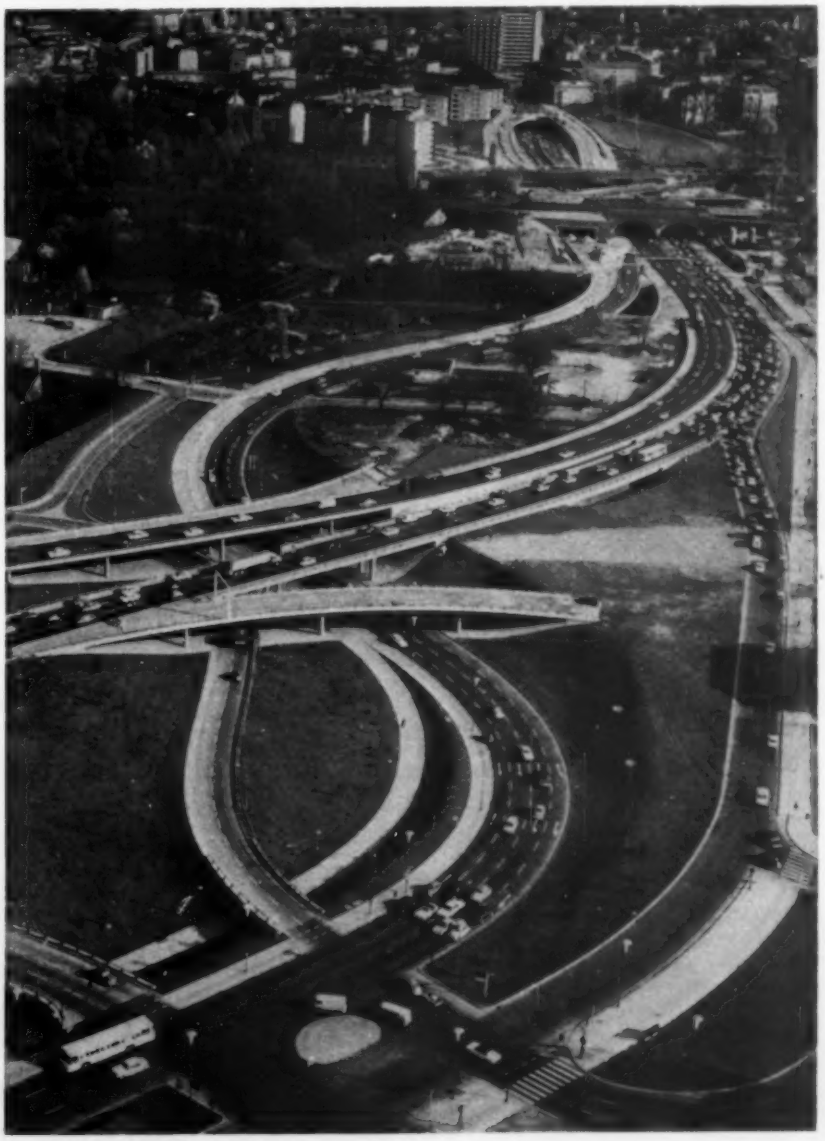
In view of the exceptionally liquid situation of German banks, it appears that U.S. firms which are restricted in their capital exports by the U.S. balance of payments program can probably turn to domestic banks without imposing undue strain. There is in fact a strong increase in credit demand by U.S. firms on the Eurodollar markets, which in turn could lead to a drawing of funds from Germany.

Bundesbank officials believe that the prospective increase in U.S. borrowing on the Eurobond market should not increase the rate on that market substantially above its present level of 7 to 7½%. Developments on national European capital markets will be determined principally by domestic factors.

As for Germany, the Bundesbank freely states that, for both cyclical and balance of payments reasons, it will maintain its current easy money policy—so long as the increase in total demand for goods and services does not threaten to disturb price stability.

The Bank remains concerned that any further increase in public deficits in 1968 will entail credit demands which might prevent satisfaction of private requirements, and thus urges that no new Government policies be undertaken which would add to currently foreseen credit needs.

VIGOROUS GERMAN ECONOMY has many of the same problems as the U.S. Advanced technology gives the U.S. a competitive advantage in several specialized areas. This freeway goes into the heart of Berlin.



GERMAN MARKET REPORT

U.S. exports to Germany on rise again; Commercial Counselor there pinpoints best sales prospects

First 40% of Kennedy Round concessions expected to give U.S. suppliers a strong boost after they go into effect on July 1

By E. F. BECKER
Commercial Counselor, U.S. Embassy, Bonn

U.S. exports to Germany are on the rise again. The downturn in the German economy in 1967 lowered demand for both domestic and foreign goods, but economists and businessmen are unanimous in their view that the worst is now past and recovery is under way.

BECKER

Combined with this is the fact that 40% of the Kennedy Round concessions given U.S. goods by the Germans go into effect on the first of July. Thus, prospects for increased U.S. exports to Germany in 1968 again appear bright.

Total German imports from the U.S., including defense items, dropped by 6.7% to $2,139 million in 1967, from $2,294 million in 1966. Of this, approximately $313 million was accounted for by defense items, so that commercial imports amounted to approximately $1,826 million c.i.f. The f.o.b. value of these imports amounted to approximately $1,643 million ($1,685 million in 1966).

In third place

The United States ranked third as a source of German commercial imports after France and the Netherlands.

In line with the trend in evidence for some years, German exports to the United States increased by 9.5% to $1,966 million in 1967, from $1,795 million in 1966. Thus, the United States also ranks third among Germany's export customers, after France and the Netherlands.

According to German reports, the German deficit in total trade with the U.S. (including defense items) dropped to $174 million, whereas in the past seven years it had fluctuated between $700 and $900 million (based on c.i.f. values for imports and f.o.b. values for exports).

The following areas deserve further study by U.S. exporters.

Machinery is the most important item among German industrial imports from the United States, totaling $163 million in the first three quarters of 1967. The outlook for machinery sales remains favorable for 1968, although a trend towards leveling off is evident.

Demand for U.S.-produced machine tools, rolling mill equipment and automated machine tools (especially metal-cutting machines) is still high. With bottlenecks rising in some manpower sectors, there is potential for increased sales of labor-saving construction machinery, especially earth-moving equipment. U.S. packaging machines and materials (especially plastic foil) continue to find a growing market in Germany.

Automation is continuing in many German industries, especially in the automotive, shipbuilding, machinery, and electrical industries. These sectors offer considerable opportunities for sophisticated American machine tools.

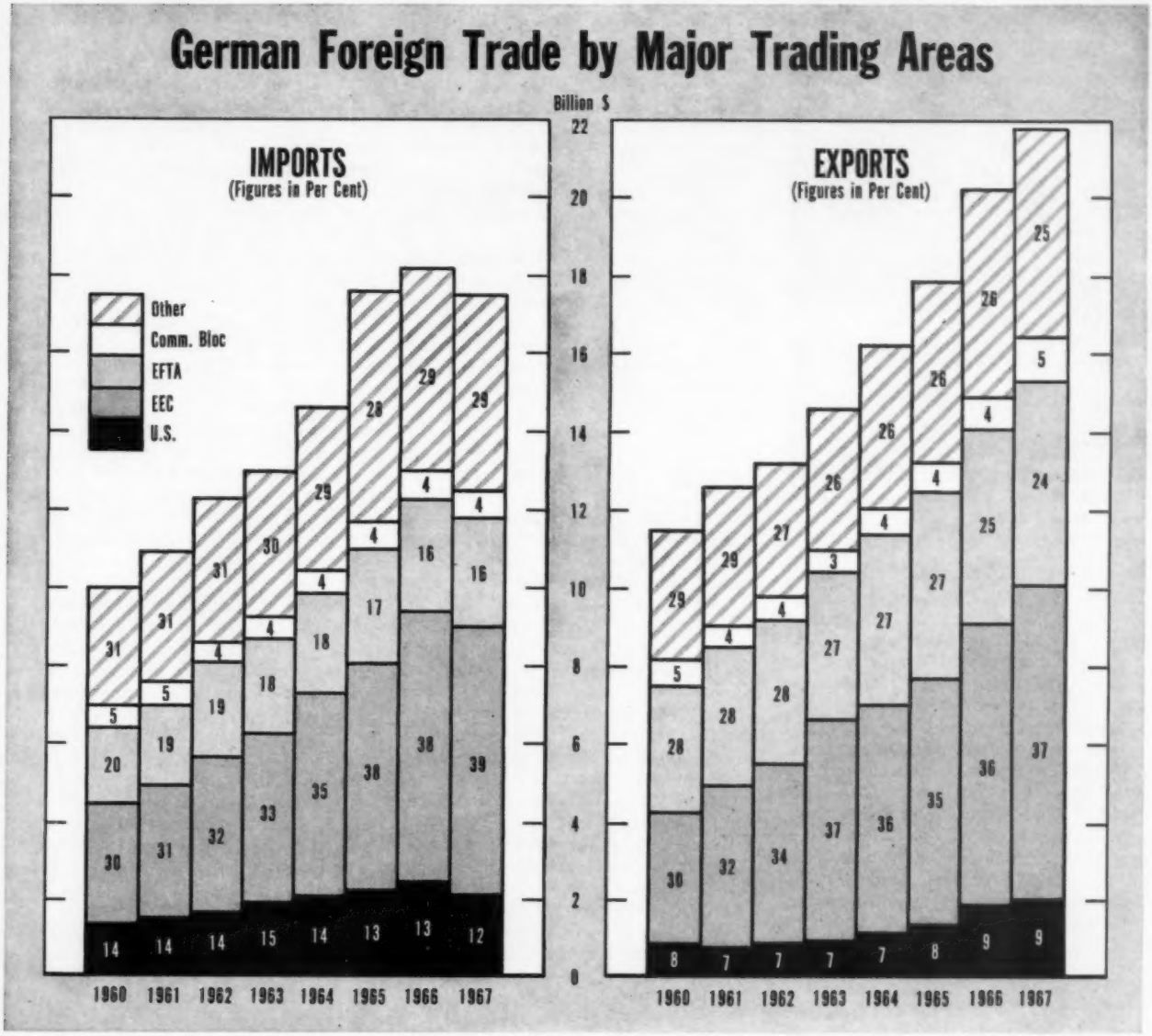
Want advanced items

Germans are interested in modern, advanced building materials and construction machinery and equipment, for which U.S. producers are in a good competitive position. This applies especially to heavy construction machinery such as diggers, drilling equipment, concrete and asphalt mixers, concrete forming systems and troweling machines, concrete vibrators, high pressure plastic presses, and forklift trucks.

Furthermore, powered hand tools and other equipment for reducing construction costs, such as pipe cutting equipment and submersible pumps, are of interest.

The most important electrical machinery and equipment to U.S. suppliers are high and low voltage switch gear, resistors and rheostats, of which U.S. deliveries in the first three quarters of 1967 amounted to approximately $7 million.

GERMAN UPTURN WILL SPREAD throughout most of the country, and not just the heavily industrialized cities such as Frankfurt, whose Hauptwache is shown below. (Photo from German Information Center.)



The other principal foreign suppliers are the Netherlands and France.

American suppliers of electric motors and generators have been successful in competing with domestic manufacturers, especially in supplying the petroleum and lignite industries.

Recent market surveys have shown a particular market potential in Germany for the following types of machinery: high energy metalworking and welding machinery, and special non-traditional metalworking machines, demand for which is created by the growing application of intractable materials and intricate shapes of work-pieces which cannot be machined by conventional methods.

Large sectors of the German metalworking industries are only slightly familiar with the advantages of the new methods. This applies specifically to electro-chemical counterboring and drilling machines, also to plasma arc-welding equipment, electro-spark and laser beam metalworking machinery.

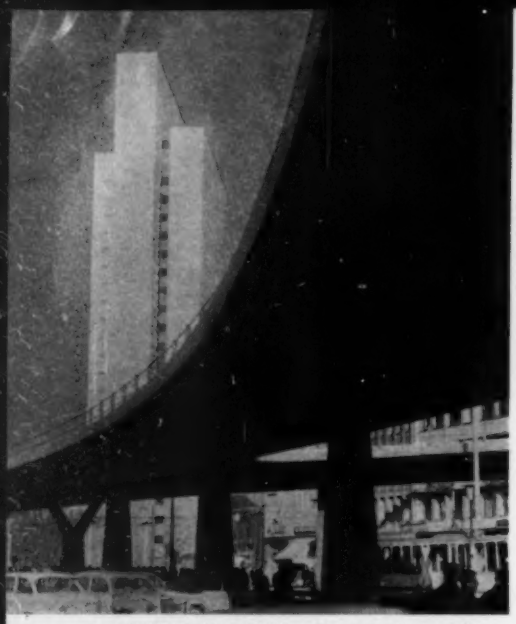
Power-driven hand tools—The United States supplies 30 to 50% of total German imports of pneumatic hand tools, and the trend is rising. For electric hand tools this percentage varies between 10 and 35%, and the trend is falling.

Where pneumatic tools are used, production people seem to prefer U.S. manufactured products. By contrast, the quality of German electric tools is considered to be superior to U.S. machinery.

There is steady growth in those industrial sectors where pneumatic tools are used. There are more difficulties with electric tools because the motors must be redesigned to suit Germany's voltage and frequency conditions.

Surface finishing equipment—Finishing processes which reduce surface stresses and possibly eliminate the need for stress removal are in demand. In addition, metal coatings on plastic and other combinations of materials are of interest, as are methods to improve magnetic and electrical characteristics by surface treatment.

New surfacing methods or materials



BUILDING MATERIALS and construction machinery are in demand to cope with Germany's building boom. U.S. equipment has an edge in this market.

are desired by such industries as paper, textiles, dyeing and vacuum technology. As degreasing, cleaning and preparation in the pre-surfacing operations become more important, there is a demand for products which reduce dirt, fumes, danger or cost.

Advanced metallizing equipment is also of interest, as is cryogenic equipment.

Advanced graphics machinery and equipment—Potential exists for equipment for special printing processes, computerized photo-composing appliances, advanced reproduction equipment, electronic controls and measuring instruments, and high-speed automatic binding machinery.

There is also demand for printing machinery, such as label printers, small-sized rotary presses for aniline and letter pressers; and also for screen printing machinery, presses for package printing, special equipment for printing tubes and bottles, multi-color offset printing machines, and composing room equipment (especially computer-tied). Bookbinding equipment and ancillary equipment, and special papers are selling well.

Special purpose vehicles—Market potential exists for vehicles in the following applications: plant and office maintenance (power sweepers, floor polishers), materials handling, in-plant and interplant delivery, garden, golf-course and tree maintenance (rider mowers, small tractors, snow plows, stone pickers, and similar items). Components and accessories for the above are also needed.

Advanced nuclear equipment—A special demand exists for radiation measuring instruments, radiation controlling instruments and protection devices, accelerators and accessories, such as magnets, Gaussmeters, Faraday rotation apparatus, isotope separators, ion accelerators, ion sources, and magnets. There is also reported to be a need for equipment for commercial application of radio-isotopes and irradiation technology.

At the present time, Germany has sixteen research and five power reactors in operation, nearly all of which have been built under license with U.S. companies.

It is anticipated that 30-50 new nuclear power stations at a value of $6.25 billion will be built by 1977. The recently instituted Third German Atom Program for 1968-1972 will provide about $1.25 billion in Government funds for nuclear research and development.

Germany is a net importer of nuclear products, with only a small percentage of these imports being supplied by the EEC. The major portion of the imported nuclear products originates in the U.S.

Specialized pumps and equipment—There is a continued potential for increased sales of specialized pumps from the United States. In recent years the largest increases among imports of U.S. pumps were for submersible, piston pressure, rotating gear, and automotive pumps. There is also demand for sump pumps for building excavations, pumps for the chemical and petro-chemical industries (such as caustic- and corrosion-proof pumps), pumps for liquid gases, for heavy viscous material, for hydraulic and pneumatic systems.

Potential exists for pumps for moving grainy liquids (with special linings); hydraulic concrete pumps for the building and construction industry; gasoline and oil pumps for loading and unloading tankers, storage tanks, and tank cars; and ships' pumps for sea-going vessels and river boats, such as screw pumps for lubricating, and fuel and water pumps.

Instruments for the chemical industry—The market is favorable for high-quality and precise laboratory equipment, and for reliable process instrumentation and control, as well as transducers.

Electronic data processing equipment—A show held at the Frankfurt Trade Center some time ago showed a good market in Germany for small, specialized computers, computer software and peripheral equipment. It was found, however, that an educational campaign is necessary in order to show potential users to what extent their data processing problems can be solved by using computers. As yet, software as available in the United States has not been developed to anywhere near the same professional level in Germany.

Plastics industry equipment—German production and consumption of plastics is expected to continue to expand as new fields of application develop. Particular market potential is reported for:

- complete manufacturing systems (covering the total production process from the plastic raw material to the finished product);
- marking, numbering, and decorating machines for plastics;
- engraving and embossing rolls and plates;
- plastic scrap handling equipment;
- processing equipment for fiberglass, spraying pistols, and mixing equipment for reinforced plastic products.

There is also reported to be an increasing demand for injection molders, extruders, and hollow bodies for molding thermoplastic materials.

Packaging machinery—It is reported that the following types of U.S. machinery have a potential market in Germany: wrapping and heat sealing machinery, box wrapping machines, and box filling machines.

Electronic equipment—Demand for advanced U.S. electronic equipment is expected to increase because of American technological progress in specific fields, such as telecommunications, nuclear and space electronics, semi-conductors, industrial telemetry, telecontrol, and laser systems. This can also lead to increased sales of derivative products.

In this field, micro-miniature systems and components appear to have particular potential, as shown by an exhibition of such products held at the Frankfurt Trade Center last spring. Interest was shown in precision resistors and microcircuits, as well as integrated circuits, capacitors and diodes.

Natural gas—A specific potential area of interest to American suppliers results from the growing natural gas consumption in Germany. Demand should triple in the next three years, as pipelines are extended into new regions, including Southern Germany. This means increased German interest in domestic appliances operated by natural gas and also in special equipment for transmitting this type of gas, including pipeline maintenance and repair appliances.

Environmental test equipment—A show recently held at the Frankfurt Trade Center indicated that there is need for all types of U.S. environmental test equipment; in particular, for vibration pieces of equipment, high and low temperature test chambers, altitude test chambers, centrifuge equipment, and equipment for simulation of various conditions such as sun, explosion, sand, dust and rain.

Germany's Kennedy Round cuts to offset July 1 jump in EEC rates

40% of agreed-to cuts will go into effect at same time that tariff rates rise to level of Market's Common External Tariff

By P. T. O'CONNOR
European Division, BIC

On July 1, the European Economic Community will reach an historic milestone on the road to achieving a true customs union. On that date all remaining tariffs on trade moving between the EEC partners will be eliminated and the Common External Tariff (CXT) will become applicable, replacing the national tariff schedules of the six member nations on goods imported from other countries.

O'CONNOR

In the absence of the Kennedy Round tariff negotiations, this shift to a common tariff would have meant that about 50% of the German tariff positions would have risen above their present levels to effect the harmonization of the higher (France and Italy) and lower (Germany and Benelux) national tariff systems previously in force. The success of the Kennedy Round has radically altered this picture.

The first two stages of Germany's Kennedy Round reductions of the Common External Tariff will also take effect on July 1. A survey of 55 major U.S. export categories shows that 58% will be immediately favored by CXT rates below the present German national tariff rates, while 42% will bear higher rates. Further reductions are scheduled to take place each Jan. 1 until all the agreed-upon cuts are made by Jan. 1, 1972. On the latter date, when all of the Kennedy Round reductions have been achieved, fully 91% of the categories surveyed will enjoy CXT rates below the present German national rates.

How the Kennedy Round reductions will take effect can be illustrated by one simple example, electrical condensers. U.S. sales of electrical condensers to Germany have risen steadily over the past few years, reaching $2 million in 1966, a 24% share of the import market for these items. The current German tariff rates for electrical condensers range from 11.6 to 12.4%. The CXT rate is 14% but, because of the Kennedy Round agreement, the rate that will go into effect on July 1 will be 11.2%. This will be reduced in three further stages to a final level of 7%, or one-half of the CXT rate and well below the present German national rates. Agreement on acceleration would, of course, hasten the process.

Among the major export items that will enjoy lower rates, ranging from 0.4 to 4.4%, on July 1 of this year are: kraft paper and paperboard; photographic plates, flat films and film in rolls; automobiles and ambulances; radio navigation, radio measurement and remote control systems for ships and planes, including airport flight control equipment; electrical capacitors; continuous synthetic fiber yarns; corrugated and coated paper; harvesting and threshing machinery; antiknock, oxidation and gum inhibiting additives for lubricants containing petroleum or oils obtained from bituminous materials; amusement equipment, including billiard tables, table tennis sets, pinball machines, and gaming tables.

Other general categories affected include some types of photographic and motion picture laboratory equipment, selected chemicals, and a number of items in the electrical machinery field.

Market profile—Germany

Area: 95,929 square miles including West Berlin.

Population: Estimated at 59.8 million (beginning of 1967). Three cities have more than a million inhabitants: West Berlin with 2.2 million; Hamburg, 1.8 million; Munich, 1.2 million. About 21.4 million households and 2.7 persons per household.

Currency: Deutsche mark, valued at 4 marks to the U.S. dollar. The Central Bank (Deutsche Bundesbank) regulates money supply in a fashion similar to that of U.S. Federal Reserve System.

Gross national product: $119.9 billion (estimate, 1966); little if any growth expected for 1967. Most authorities predict a 1968 rise of about 4% in constant prices and 4% in current prices.

Economy: Manufacturing industry contributed 51.9% of GNP in 1966; trade, transportation, communication, 19.4%; agriculture, forestry, and fisheries 4.2%; government and other services, 24.6%.

Transportation, communications: Railway system, about 23,000 miles, of which 85% is operated by the Federal Government; 22% electrified as of 1966. Classified roads, 94,000 miles, 2,000 of which are 4-lane super highways. Federal Post Office has monopoly on postal services and telecommunications. All communications services highly developed. Radio subscribers 18 million, television subscribers 12 million.

Foreign trade (in $ millions):

	1965	1966	1967
Total imports	17,611	18,168	17,546
Total exports	17,912	20,156	21,761
Imports from U.S.	2,299	2,295	2,139
Exports to U.S.	1,436	1,795	1,966

Principal imports from U.S.: Grains, edible fats and oils, cotton, hides and skins, raw tobacco, coal, nonferrous metals, machinery, chemical products, electrical equipment, motor vehicles and aircraft.

U.S. EXHIBITION AT HANOVER FAIR in 1967 featured materials handling equipment. Gardner-Denver Co. was among 32 U.S. firms at the show, who predicted combined first-year sales of nearly $8.5 million.

GERMAN MARKET REPORT

Trade fairs are big business in Germany; vertically-organized exhibitions draw world visitors

Cities famed for general fairs lead the switch to one-industry shows, keeping Germany in the lead in international exhibitions

The following article is reprinted in part from the January 1968 edition of German International.

Competition among the great European fair centers has become increasingly fierce in the course of last year. The trend towards internationalization among both exhibitors and visitors has made some of the European fairs due for change.

The process of selection and concentration in industry, expedited by the abolition of economic barriers within EEC, has now also spread to the fairs.

Fairs such as those at Paris, Milan and Frankfurt now all face the question of which will manage to survive.

Obviously, this "to be or not to be" problem is viewed by the individual countries not only from purely economic aspects, but also from the viewpoint of national prestige.

Explained C. F. von der Heyde, one of the directors of the Cologne Fairs, "Governments, not only in countries with a state-controlled economy but also in West European countries, are increasingly using commercial fairs as instruments of their foreign trade policy.

"Such influence is exercised variously through fairs legislation, as in Italy, by decrees as in France, and by open subsidization as in the case of the Paris Agricultural Show, where the state itself acts as organizer."

Explains von der Heyde: "The so-called universal fairs are now considered obsolete. They have been replaced by special branch fairs covering the full range of one industry or of several related branches."

General fairs present all kinds of products, from consumer goods to capital goods. They are aimed primarily at the sales potential in the host country. But a growing variety of products during the fifties made such universal fairs too difficult to visit.

The German fairs, and particularly Cologne, Hanover, Frankfurt and Duesseldorf, drew the appropriate conclusions at an early stage—in the fifties—and changed over to a system of special branch fairs.

At the same time the great export-mindedness of German industry created a more and more international character for these fairs. The resulting fair system —more than any other in the world tailored to the requirements of modern industry and commerce—acted as a magnet. In the past few years it has made the Federal Republic the major fair country of the world.

As Director Steidle of the Frankfurt Fairs explains, however, this development has also been furthered by the Federal Republic's central geographic position and by the fact that the country combines the greatest concentration of industry in Europe on the one hand, and the most compact market on the other. The advantages involved in the internationalization

Business consultations set with Trade Center head

As an important part of the U.S. export expansion efforts, selected Foreign Service officers on home leave participate in the Businessmen's Consultation Program.

During the period Apr. 15-May 8, Wolfgang F. Robinow, Director of the U.S. Trade Center and Chief of the Commercial Section at the American Consulate General in Frankfurt, will be addressing business groups and participating in discussions across the nation.

U.S. businessmen interested in appointments should contact the director of the appropriate Commerce Department Field Office.

Mr. Robinow's itinerary is as follows: Apr. 15: Hartford, Conn.; Apr. 16-17: Boston, Mass.; Apr. 18-19: Philadelphia, Pa.; Apr. 22-23: Chicago, Ill.; Apr. 29: Los Angeles, Calif.; Apr. 30-May 1: San Francisco, Calif.; May 2: Portland, Ore.; May 3: Seattle, Wash.; May 6-8: New Orleans, La.; and May 15-16: New York, N.Y.

In addition to the consultation scheduled for sponsorship by the various Commerce Field Offices, Robinow will meet with the Western International Trade Group in San Diego, Calif., Apr. 24-26.

Frankfurt Trade Center is showcase for U.S. goods in Germany

A part of the German commercial exhibition scene is the U.S. Trade Center located in downtown Frankfurt. A photo report on the latest show at the Center is on page 13.

Under the sponsorship of the U.S. Department of Commerce, approximately 8-10 specialized exhibits are staged each year to assist U.S. firms new to the European market in establishing trade contacts, agencies, distributorships and licensing arrangements in Europe.

An exhibit theme is decided only after an in-depth survey of the German market has been completed. A positive finding enables the Department of Commerce's Office of International Trade Promotion to initiate immediately its search in the U.S. for exhibitors whose products fit the show theme. Shows are held, as a general rule, between 12 and 18 months after completion of the market research.

A participant seeking representation or a licensee can apply for agency finding assistance, which is completed without charge in any country.

Since its establishment in 1962, the Frankfurt Trade Center has held 43 trade exhibits which netted confirmed sales of over $60 million. Nearly 700 European representatives have been appointed by U.S. firms, an indication that these participants had made the decision to enter the export field after testing the market.

The Trade Center has been accepted by the German and American business community as an effective focal point for promoting trade, technical know-how, and ideas.

Frankfurt's Mayor Dr. W. Fay, on the occasion of the Trade Center's 5th birthday anniversary, noted, "Your organization is a valuable addition to our city. Since the marketing area of the Trade Center encompasses most of continental Europe, its location has materially contributed to Frankfurt's growth."

For the coming year at least nine trade shows (with one- or two-day professional seminars, if possible) are planned at the Frankfurt Trade Center. Tentatively scheduled are trade exhibits featuring equipment such as: laser-maser, pneumatic-hydraulic equipment including fluidics, air-conditioning, library, high energy welding, industrial fasteners, plastics, nuclear engineering, transducers and sensors.

Between major exhibits the Trade Center offers its display windows and floor space at no cost (except for decoration and promotional expenses) to U.S. firms or their European representatives. These facilities can be used for window and/or floor exhibits, press conferences, sales meetings, receptions, etc., as long as the product being promoted is American.

of German fairs became particularly apparent last year, when industry had to make up for the poor opportunities in the home market—due to the economic recession—by sales in foreign markets.

In this context, Dr. Robert Krugmann, one of the Cologne Fair directors, has pointed out: "German exhibitors found that their export business was better than their domestic business, and foreign exhibitors sold more to buyers from third countries than to German customers."

Characteristic of the "new look" of the fairs is the fact that business with non-German buyers is of growing importance to foreign exhibitors at fairs in the Federal Republic.

There is a growing interest from both exhibitors and visitors from countries outside EEC and EFTA. The bulk of the business done by foreign exhibitors is more and more with non-German customers, except where specialties are concerned.

Italian and French cities, which until recently adhered to the system of universal fairs, are now also changing over to what the director of the Paris Fair calls the "German pattern."

The special industry fair is not a German post-war invention, however. For certain products, such as toys, leather goods or automobiles, this type of fair has long been in existence in Europe.

German special fairs are not the most successful in all branches. The German Aviation Show held in Hanover every two years cannot be compared to the air shows in Paris and Farnborough.

But the Germans were the first to start splitting up the complex universal fairs into special branch fairs. Instead of a popular show for the general public, these are sensible, commercial events for producers and buyers.

This specialization leads to the foundation of new fairs which cater to new technical developments or new consumer habits—containers, reprography, do-it-yourself and others.

Experience in the Federal Republic has shown that it is not always easy to decide when a branch of industry has become important enough to merit its own fair.

Said a foreign observer: "The German trend towards perfectionism sometimes seems to produce exaggerated specialization into sub- and mini-branches."

The different fair companies, in their efforts to get a bigger slice of the fair cake, often tend to invent artificial branch combinations. So far, however, close cooperation between the fair companies and industry has almost always helped to eliminate such exaggerations.

Whether all the new special fairs in the Federal Republic—particularly the European events—will survive in the long run, depends largely on how quickly and successfully the corresponding fairs in other European countries complete their transformation.

The internationalization of German fairs did not come about without sometimes violent opposition. For though German industrialists welcomed the growing number of foreign visitors, they were not always enthusiastic about the rising number of foreign competitors.

Much credit for overcoming German industrial parochialism goes to the fair

Major German fairs for 1968

Fourteen major international exhibitions have been held already this year in Germany. The following schedule outlines those planned for the rest of 1968.

Berlin	72nd International Fashion Week	Apr. 17—26
Frankfurt	International Fur Fair 1968	Apr. 24—28
Hanover	Hanover Fair	Apr. 27—May 5
Munich	International Exhibition for Biochemical Analysis	Apr. 29—May 2
Stuttgart	International Bakery Exhibition	May 11—19
Munich	50th DLG International Agricultural Exhibition	May 19—26
Friedrichshafen	Lake Constance International Fair	May 17—26
Frankfurt	International Exhibition Laundry Dry Cleaning	June 6—17
Hamburg	International Butcher Supplies Exhibition	June 15—23
Duesseldorf	International Foundry Trade Fair	June 20—26
Cologne	IFADA, International Exhibition of the Ladies' Hat Industry	July 1—7
Hamburg	International Exhibition of Foodstuffs	Aug. 16—25
Cologne	International Men's Fashion Week	Aug. 23—25
Cologne	International Dental Show	Aug. 27—Sept. 1
Offenbach	International Leather Goods Fair	Aug. 31—Sept. 4
Frankfurt	International Frankfurt Fair	Sept. 1—4
Berlin	73rd International Fashion Week	Sept. 2—12
Cologne	IFMA, International Bicycle and Motorcycle Exhibition	Sept. 7—10
Cologne	International Housewares and Hardware Fair	Sept. 13—15
Duesseldorf	IGEDO International Fashion Show	Sept. 15—18
Cologne	International Fair of Lingerie, Foundation Garments, Underwear and Swimwear	Sept. 19—22
Essen	International Druggists' and Chemists' Trade Fair	Sept. 19—23
Frankfurt	International Book Fair	Sept. 19—24
Munich	IKOFA, International Grocery Show	Sept. 21—29
Cologne	"Photokina" World Fair of Photography	Sept. 28—Oct. 6
Duesseldorf	INTERKAMA, International Fair of Automation, Electronics and Instrumentation (with Congress)	Oct. 9—15
Cologne	International Fair FOR THE CHILD	Oct. 11—13
Berlin	International Fashion Week	Oct. 14—25
Cologne	SPOGA, International Sports Goods, Camping Equipment, and Garden Furniture Fair	Oct. 20—22
Duesseldorf	79th IGEDO, International Fashion Show	Oct. 27—31
Munich	ELECTRONICA, International Exhibition of Electronic Production Equipment	Nov. 7—13

companies, which established the new pattern of fairs.

Today the Federal Republic has nine fair centers of international status. Apart from the four superfairs of Cologne, Frankfurt, Duesseldorf and Hanover, they are Berlin, Munich, Offenbach (leather goods), Nuremberg (toys) and Pirmasens (shoe and leather machinery).

These fairs nowadays employ well over half a million people on a full-time or part-time basis. The total income of the fairs last year rose to over $37.5 million. Of this, $30 million were exhibitors fees, the rest coming from admission fees, etc.

The annual number of exhibitors at German international fairs is now about 33,000—25,000 from consumer goods industries and about 8,000 from capital goods industries. Many of these companies exhibit several times every year.

If the 25,000 consumer goods manufacturers were to exhibit simultaneously at the same fair, they would need 370 acres of exhibition space. The 8,000 capital goods exhibitors would need an area of 185 acres.

It is estimated that $325 million have been invested in the extension of German fairs in the past 15 years. Cologne Fairs early last year opened an exhibition hall with the first roof garage, with space for 700 passenger cars.

Hanover Fair has provided 145 acres of parking space to accommodate 44,000 passenger cars. Total investments in this largest capital goods fair in the world rose to over $50 million last year. German industry probably has invested another $25 million or more in its own buildings for this fair newcomer, which was founded by the British occupation powers in 1947 to stimulate German exports.

These company pavilions, which exist, for instance, for the steel and electrical industries, are equipped with all modern conveniences, such as kitchens, large conference rooms, and offices. They cater to a development furthered by the fair pattern evolved in the fifties: the trend toward top-level contacts.

International visitors

In addition to buyers, the German fairs are attended by a steadily growing number of foreign top executives. At the fairs they not only get a good idea of the world-wide range of products of their industry, but they have a chance of extensive exchanges with their international opposite numbers—something that would normally require months of foreign travel.

The president of ITT recently commented: "One might think that the boards of German industry are transferred to Hanover when the Fair is on." This international attraction makes itself felt even in the federal capital, Bonn, where it is often difficult to find foreign ambassadors while fairs are in progress in Berlin, Frankfurt or Munich.

The international character of German fairs reached a new peak in Cologne last year, when 41% of the exhibitors came from outside Germany. The average foreign participation in German fairs is about 30%. Between 1963 and 1967 the International Automobile Exhibition in Frankfurt increased its share of foreign exhibitors to 269 out of the total 1,080—a rise of over 100%.

Main foreign exhibition countries continue to be the European neighbor states France, the Netherlands and Belgium, but also Great Britain. Growing participation is observed from the so-called "overseas" countries, mainly the USA but also a growing number of developing countries.

Latest show breaks records at Frankfurt

Record numbers of trade visitors flocked to the U.S. Trade Center in Frankfurt to see the latest data processing equipment of 37 American manufacturers at the latest show held at the Center, Mar. 18-22.

Total visiting buyers reached well over 1,800, or approximately 400 each day. Both figures set new records for the Trade Center's history of four and one-half day shows.

The firms which participated in the exhibit expect over $4.6 million in sales over the next twelve months as a result of the show, another record for shows of this length. Two companies appointed agents, and eight distributorships or agencies are still under negotiation.

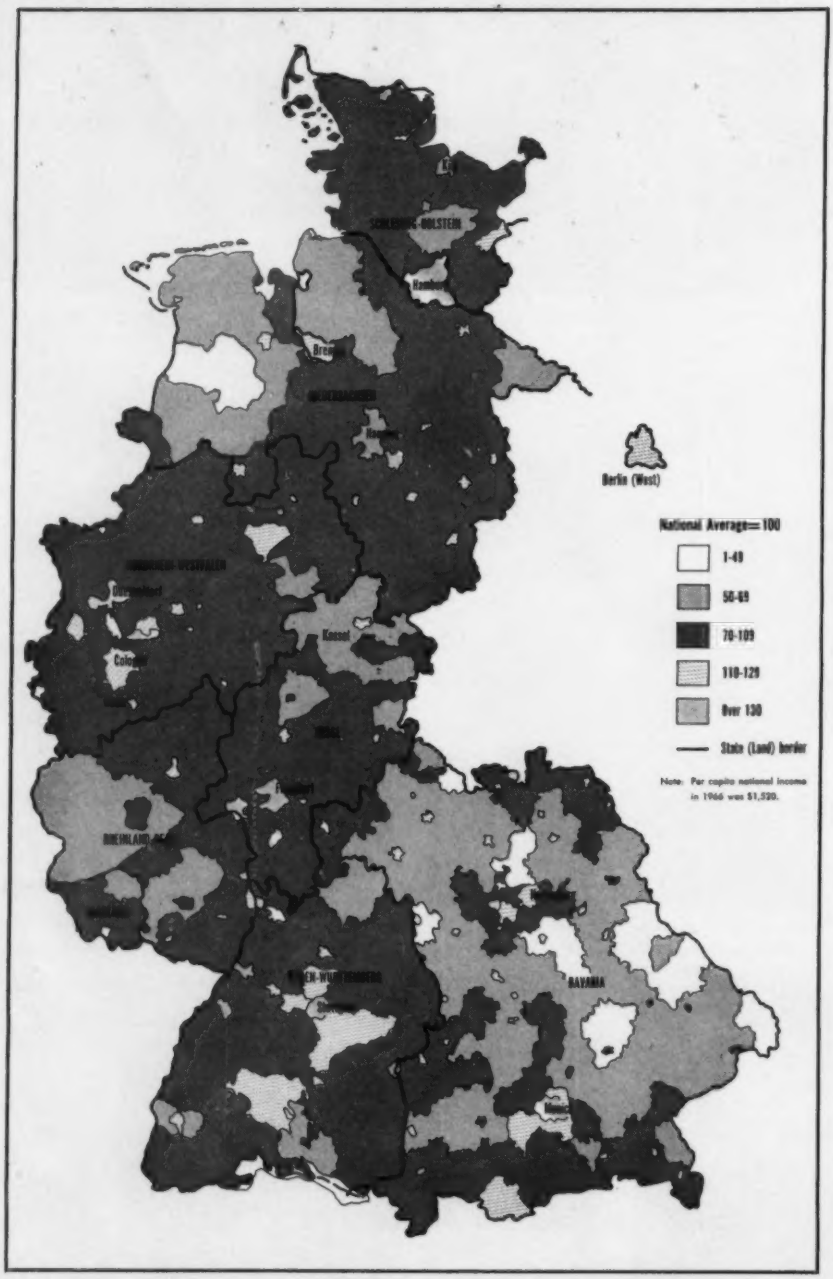
The week's highlight was the two-day symposium conducted by Dr. Carl Hammer, chairman of the Association for Computing Machinery, Washington, at the nearby Amerika Haus. Under the theme "Computer Time Sharing—the Concept of the Future", 15 papers were presented by German and American specialists on the most important and recent developments in the field. Some of the lectures attracted more than 300 people.

All exhibitors were highly pleased with the success of the show, as measured in terms of sales, new contacts, and particularly the excellent quality of the visitors. Many of the firms expressed a desire to participate in a similar show in about one year's time.

CORE MEMORY SYSTEMS drew show visitors to the Ferroxcube booth (above) to examine display items. Teletype Corp. (below) showed specially designed teletype computer terminals for timesharing.

TWO-DAY SYMPOSIUM (below left), held at Amerika Haus, attracted capacity crowds to hear 15 papers by German and American specialists. Attendance at the Trade Center was the highest yet for a four and one-half day show—over 1800—and aisles were crowded with buyers (below right).

Regional Variations in German Per Capita Purchasing Power



Map of purchasing power courtesy GfK-Gesellschaft fuer Konsum-, Markt- und Absatzforschung e.V., Nuremberg. This publication, reviewed in this magazine July 31, 1967, contains data for all counties shown in the map.

Source of per capita income figure: "National Accounts 1957-66," published by the Statistical Office of the European Communities, Brussels, 1967.

GERMAN MARKET REPORT

Major stores, buying combines give market entry

Buyers seek contacts with U.S. suppliers of varied merchandise

By R. C. MEIMA
Consul,
U. S. Consulate General, Duesseldorf

Through alert and imaginative selling efforts aimed at Germany's ranking department stores and buying groups, U.S. exporters can build important new sales volume in that country's growing consumer goods market.

MEIMA

Buying groups and department stores have long been leading distribution channels for consumer products in Germany. The big department stores are as aggressive, modern and well run as any in the U.S. Managements pay very close attention to inventory turnover rate and productivity per unit of display space, and employ the latest promotional techniques, ranging the world over looking for interesting new items to promote.

Cooperative buying groups in Germany are operated with equal efficiency. By bringing skilled buying techniques and large volume pricing to their cooperating retail specialty shops and smaller department stores, the group buying organizations have enabled smaller merchants to meet more effectively the competition of larger retail outlets.

U.S. suppliers of items ranging from foundation garments to lawn sprinklers have established close and profitable business relationships with Germany's department stores and group buyers, but many other potential U.S. suppliers have not looked into their German market opportunities. Those who believe they have an original or improved product at a competitive price should definitely make a sales offer to one or more of the firms listed later in this article.

Exporters to Germany may well experience an upturn in consumer demand this year according to early 1968 forecasts. In 1967 private consumption was an estimated $69.7 billion, showing scant improvement over 1966 performance. A more vigorous pace is expected for the first half of 1968, however, when private consumption should rise some 4% above the like 1967 period. The outlook for the last half of the year is less clear.

Buyers for Germany's department stores and buying groups seek contacts from U.S. suppliers. They believe that many U.S. consumer goods not now marketed in Germany can be successfully introduced there. But they also find it difficult to identify those products with the best sales prospects due to the great number and variety of U.S. consumer goods, the rapid pace of product change, and the distance between the U.S. and Europe.

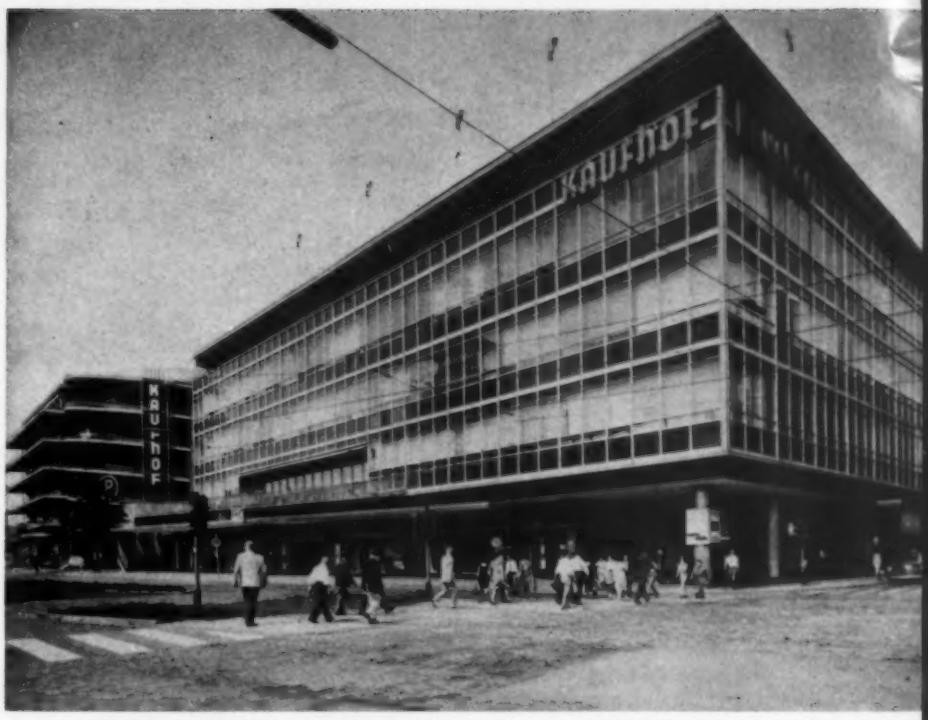
U.S. producers of "better mousetraps" cannot and should not rest on their laurels, believing they will be discovered by an enterprising German buyer. Instead they must increase their own efforts to sell to this important and fast-moving market.

Do's and don'ts

Listed below are some leading company sales targets and details on the form in which quotations to them should be prepared. When planning a sales approach to these outlets, U.S. firms should keep in mind several important do's and don'ts:

- *Don't* offer goods with specifications that cannot be maintained if an order is placed. Buying practice in Germany allows for less variation between goods ordered and goods shipped than is often the case in the U.S.
- *Do* make sure price lists and product literature are clear and accurate. Be prepared to provide product-use instruction material in German.
- *Do* quote only lowest prices. German buyers already know or can quickly determine prices and price spreads for a product in the U.S. market.
- *Don't*, when corresponding in English, use U.S. slang or trade jargon.
- Finally, *do* use imaginative but ungimmicked sales techniques.

Keeping these do's and don'ts in mind, here are some major firms to approach. International trade specialists at Department of Commerce field offices can assist interested U.S. suppliers regarding questions about these companies and selling to them.



GERMAN DEPARTMENT STORES have long been a leading outlet for consumer goods in Germany. This is the Cologne store of the Kaufkof chain, whose annual retail sales total about $500 million.

Department and chain stores

Kaufhof, A.G., 5 Cologne, Leonhard-Tietz-Strasse, Tel. 20501. Annual total sales of firm's 45 retail outlets about $500 million. Write in German or English to Horst Kramer, Manager, Foreign Department, at above address. No samples. Quote prices f.o.b. New York. Also can contact resident U.S. representative: Mr. Ochs at Kirby, Block and Co., Inc., 10th Floor, 393 Seventh Ave., New York, N.Y. 10001.

Rudolph Karstadt, A.G., 43 Essen, Berliner Platz 1, Tel. 20661. The more than 58 Karstadt department store outlets retail some $680 million annually. Write in English or German to Mr. Egon Gretz, Manager, Import Department. No samples. Quote c.i.f. Rotterdam or Hamburg in U.S. dollars. Or, contact store's U.S. representative: McGreevey, Werring and Howell, Inc., 225 West 34th Street, New York, N.Y. 10001.

Helmut Horten, G.m.b.H., 4 Duesseldorf, Am Seestern 1, Tel. 5701. The 50 Horten department stores account for approximately $430 million in annual sales. Send offers in English, without samples, to "Import Division" at above address. Quote prices c.i.f. Rotterdam in U.S. dollars. In U.S., contact: Felix Lilienthal & Co., Inc., 116 W. 32nd St., New York, N.Y. 10001.

AGROS ESSEN, K.G., 5 Cologne-Riehl, Boltensternstr. 112, Tel. 769061. Cash and carry operation with annual turnover of $12.5 million in non-food items and $37.5 million of food products. Contact "Zentraleinkauf" at above address in German with price c.i.f. Hamburg or Rotterdam in dollars. No samples.

Kaufhalle, G.m.b.H., 5 Cologne-Ehrenfeld, Innere Kanalstr. 15, Tel. 57111. Subsidiary of Kaufhof (see above). Does approximately $175 million annual sales of popular-priced housewares, clothing, and some foodstuffs through its 62 outlets. Quote c.i.f. Rotterdam, dollar prices in English to "Import Department." Also contact U.S. representative: Kirby, Block & Co., 10th Floor, 393 Seventh Ave., New York, N.Y. 10001.

Hertie Waren- & Kaufhaus, G.m.b.H., 6 Frankfurt/M. Zeil 42, Tel. 21901. The 60 Hertie department stores retail about $750 million yearly and are located throughout Germany. Quotations without samples can be sent in English or German to "Zentraleinkauf" at above

SALES OFFERS IN ENGLISH are acceptable at some of the larger German chains, such as the Helmut Horten group to which the above store belongs. This chain's sales totaled about $430 million last year.

address. Quote prices in marks or dollars c.i.f. Hamburg.

Buying groups

Kaufring, e.G.m.b.H., 4 Duesseldorf, Heinrich-Ehrhardt-Strasse 61, Tel. 441351. Supplies broad range of consumer durables and soft goods to about 600 cooperating retail stores. Firm's sales to outlets amount to $450 million at wholesale. Most purchases from U.S. made through Products Exchange, 330 Fifth Ave., New York, N.Y. 10001. Direct offers in German can be made with samples to "Import Department" at Kaufring. Quote dollar prices c.i.f. Hamburg or Rotterdam.

NORDSUED-Nuernberger Bund, Grosseinkaufsverband, e.G.m.b.H., 43 Essen, Schuermanntrasse 30, Tel 289090. A leading cooperative buying organization in household goods and hardware field. Supplies some 1,500 retailers with goods valued at about $100 million wholesale. For housewares contact "Zentraleinkauf Hausrat," and for hardware "Zentraleinkauf Eisenwaren," both at above address. Quote dollar prices in English c.i.f. German or Dutch ports. No samples.

RHEINTEXTIL, Rheinische Einkaufsvermittlungs- und Beratungsgesellschaft fuer Textilgeschaefte, A.G., 5 Cologne, Sachsenring 67, Tel. 20541. Central buyer of textile and leather goods for 110 member department and specialty stores. Annual retail sales of members aggregate about $225 million. Quote in German to above address, with prices c.i.f. Hamburg in U.S. dollars. No samples.

Wirtschaftsbund Gemeinnuetziger Wohlfahrtseinrichtungen Deutschlands, e.G.m.b.H., 2 Hamburg 70, Friedrich-Ebert-Damm 111-111 a, Postfach 13149, Tel. 6938011. Large cooperative purchasing organization supplying some 8,000 hospitals, old age and children's homes. Buys hospital equipment, foodstuffs, linens, bedding, floorcoverings, curtains and drapes, and related goods. Annual sales about $23 million. Send quotations without samples c/o "Zentrale," in English or German, stating prices in dollars or marks c.i.f. Hamburg.

GROHAG Grosshandelsgesellschaft m.b.H., 62 Wiesbaden-Biebrich, Dyckerhoffstr. 3, Tel. 7061. Buying organization servicing over 400 member retailers operating more than 500 stores. Annual turnover at wholesale exceeds $250 million. Buys textiles, appliances, dinnerware, cutlery, lighting fixtures, novelties, toys, camping goods, shoes, casual furniture, leather goods, paper supplies, photographic goods, rubber goods, confectionery, watches, jewelry, etc. Send quotations in German to "Import Department" with prices in dollars or marks c.i.f. Hamburg. No samples.

HADEKA, Handelszentrale Westdeutscher Kaufhaeuser, e.G.m.b.H., 6 Frankfurt/Main Rheingauallee 102, Tel. 770851. Cooperative buyer for 460 retailers operating 550 outlets. Deals in all kinds of textiles and textile products, with annual wholesale volume of $30 million. Address quotations (no samples) to "Import Department," in German, with dollar or mark prices c.i.f. Hamburg.

Einkaufsverband "Norden" — Merkur, G.m.b.H., 2 Hamburg 50, Bornkampsweg 2, Tel. 896821. Purchases textiles and textile articles for 460 member retailers, with annual volume about $25 million wholesale value. Send offers in German or English to "Purchasing Department," with dollar or mark prices c.i.f. Hamburg. No samples.

Grosseinkaufsverband Rote Erde, e.G.m.b.H., 46 Dortmund-Aplerbeck, Ringofenstr. 15-17, Tel. 441061. Purchases housewares, hardware, china and pottery, stoves and cooking equipment for over 192 member retailers. Annual turnover about $7 million. Quote without samples in German; show dollar or mark prices c.i.f. Hamburg or Rotterdam.

Nordwest Eisen-Metallwaren, e.G.m.b.H., 58 Hagen, Berlinerstr. 32-34, Postfach 4205, Tel. 4731. For 450 wholesalers and retailers buys tools, household appliances, hardware. Yearly turnover about $50 million. Send quotations in German or English to the attention of Mr. Willi Wurzer. Quote c.i.f. Hamburg or Rotterdam in dollar or marks. No samples.

Katag, A.G., 48 Bielefeld, Stresemannstr. 4, Postfach 87, Tel. 63131. Organization purchases for 180 retail stores a wide range of textile goods including carpets and rugs, furs, and camping articles. Annual turnover about $20 million. Quote in German with prices c.i.f. Hamburg.

SUETEX Sueddeutsche Textil Einkaufsvereinigung, e.G.m.b.H., 7 Stuttgart-N., Herdweg 23, Tel. 290141. Supplies textiles and textile goods of all kinds to 1,000 retailers whose annual sales amount to $250 million. Send quotations in German or English to "Import Department" with prices in dollars or marks c.i.f. Hamburg. No samples.

GERMAN MARKET REPORT

Self-service merchandising gains foothold in German retail scene

Total of such outlets increased from 1,379 to over 72,000 in ten years; nation now ranks second only to Sweden in Europe

By ARTHUR REICHENBACH
Commercial Officer,
U.S. Consulate General, Stuttgart

Modern self-service merchandising in the Federal Republic of Germany has flourished since the end of the war, with its greatest advances having been accomplished within the past ten years. Although its development has not reached the proportions known in the United States, evidence of the introduction of this type of merchandising can be observed in a wide variety of commercial sectors.

REICHENBACH

Statistical data on self-service merchandising have only been available since 1957, when the Institut fuer Selbstbedienung (Research Institute for Self-Service Merchandising) in Cologne commenced research in this field.

The early 1950's comprised the embryo stage of the system. Earlier evidence of self-service operations had appeared to a small degree following World War I, when cigarettes and confectionery products were sold through coin-operated vending machines placed at strategic points in railroad stations and other places of concentrated pedestrian traffic. However, the turnover from such machines was small in comparison with total retail sales of such commodities.

In the late 1950's economic expansion resulted in a critical labor shortage in West Germany, accompanied by increasing personnel expenditures and a reduction in the hourly work week for many, including sales personnel. Operators of smaller retail outlets were forced to seek means of reducing costs in order to remain competitive with the variety and department-type stores. These larger stores could more readily reduce costs than small, privately-owned outlets.

An alternative was found in the self-service merchandising system—a solution chosen in the United States when the same problem arose some years earlier.

The increasing importance of self-service in West Germany is best illustrated by the growth in the number of self-service outlets in the past ten years. On Jan. 1, 1957, there were only 1,379 self-service retail outlets in the Federal Republic. By 1960, this figure had increased to 17,132 units, and by 1967 exceeded 72,000 units. Experts estimate that the number of self-service facilities increased to 80,000 early in 1968.

Developments in the wholesale area parallel those in retail business. In 1959 only 34 self-service wholesale outlets, called "cash-and-carry warehouses," were known to be in operation. By 1965 their number had increased to 580 units, and presently total approximately 700 units.

In addition to the rapid development of self-servicing in the retail and wholesale fields, the coin-operated vending machine industry continued to expand. Approximately 55% of all cigarettes sold in 1967 were purchased through the 700,000 cigarette vending machines in West Germany.

Along with cigarettes and other tobacco products, vending machine sales of soft drinks, toiletries, photographic supplies, confectionery products and novelty items have also shown a significant rise. In a survey conducted by a West German market research institute it was revealed that of 324,000 food retailers, every third one has coin-operated vending machines within its operation.

Efforts to introduce coin operated pumps at gasoline service stations have not met with notable success. Although originally installed to alleviate personnel shortages or offset reduced working hours, out of a total of 243,000 gasoline stations in the Federal Republic only an estimated 5,000 have installed coin-operated pumps. Up to the present, this system has not been eagerly accepted by the average motorist, and experts do not believe that the number of coin-operated pumps will increase significantly within the near future.

Commercial cafeteria service, as known in the United States, has made small inroads into the German food service field. Although large and medium-sized industrial enterprises maintain company-owned canteens, the method of service is not comparable to the U.S. model with its variety of menus. Local catering services which supply hot meals to factories limit the daily menu choice to one or two selections.

A decade ago, the first self-service laundries and dry cleaning facilities appeared in West Germany. Their exact number is not known, but spokesmen for the trade indicate that the number is

WELL-STOCKED SHELVES await influx of customers in one of Germany's estimated 80,000 self-service retail establishments. The number of such stores has risen from a total of less than 1,500 as late as 1957.

FOODS AND BEVERAGES account for up to 80% of merchandise in German self-service stores, which have grown on the strength of their lower operating cost. (Photos courtesy of Konsumgenossenschaft, Stuttgart.)

very small. This is also true for self-service car wash facilities. The potential of both services has not been fully tapped, and the outlook for more installations appears promising.

At the present time, approximately 65% of the German population makes use of the various self-service retail facilities offered by independent retailers, consumer cooperatives and chain stores.

With one self-service retail outlet for approximately 1,000 inhabitants, Germany ranks second to Sweden in Western Europe, and is well ahead of other European countries in self-service facilities. More than 83% of the self-service retail outlets are operated by independent retailers, which generally hold membership in voluntary chain or buying cooperatives.

Another 9% of the self-service retail outlets belong to chain or department stores, while the balance is comprised of outlets operated by consumer cooperatives.

It is worth noting that the number of independent retailers is growing at a faster rate than other outlets such as consumer cooperatives, chains and department stores. The merger or association of independent retailers into voluntary chains enables them to maintain or increase their market share and avoid being absorbed by larger groups.

In 1964 sales by self-service retailers totaled 62% of the retail sales of general merchandise. It is anticipated that this figure will reach 70% in 1968.

Inventories of self-service retail stores in West Germany generally consist of 1,500 to 2,500 items. Larger outlets in downtown shopping areas of cities usually maintain 2,500 or more articles, while smaller stores and those located in suburban areas may stock only 1,500 items.

Foodstuffs and beverages are the primary items carried by self-service stores, accounting for 72 to 80% of the merchandise offered for sale. Toiletries and laundry soaps account for approximately 11%, while textiles, hosiery and soft goods account for 3 to 6%. The remainder consists of non-food novelty items.

A recent survey by a German market research institute revealed that the average sales area of a self-service outlet is approximately 1,950 square feet and the comparable conventional store requires only 500 square feet. Sales in the self-service unit average DM 120,000 (U.S. $30,000) per annum, while sales by conventional stores average DM 85,000 (U.S. $21,000) annually.

Inventories maintained by self-service retailers amount to an estimated DM 17.00 per square foot of sales space, while conventional outlets maintain inventories of DM 21.00 per square foot due to slower inventory turnover. Self-service retail outlets replenish their inventories 15.6 times a year, while conventional retailers do so only 12.1 times each year.

The most significant factor favoring self-service operations is the reduction in costs. Sales and handling costs of general merchandise in self-service retail outlets represent 18.5% of the annual sales of such establishments, while the conventional retailer spends 20.2% of annual sales for operational costs.

Operational costs include wages and salaries for employees, owner's wage, rent and maintenance, taxes, advertising, and miscellaneous expenditures.

Although nonpersonnel expenses are found to be approximately the same in both types of retail outlets, the savings in operating self-service outlets are noteworthy, for the personnel costs total 7.9% of total annual sales, compared to 9.9% in conventional outlets, a saving of 20%.

In general, German self-service outlets are modernly equipped since the majority of them are new. Their average size however, is considerably smaller than comparable outlets in the United States.

This is not the result of poor planning, but is due rather to the unavailability of suitable sites in cities and the high real estate prices placed on such sites. Adjacent parking facilities operated by the outlets are almost unknown, but these stores are designed to service a smaller, pedestrian-oriented market and to complement the neighborhood store.

Although they are comparable to U.S. super markets, the displays often lack organizational coherence and signs or guides to certain food groupings are rare.

Fresh vegetables and wrapped meats are well presented on refrigerated racks, but canned and dried foods and other staples are frequently displayed together in a hodge-podge of unrelated items. Wide aisles for carts are frequently sacrificed because of space limitations.

Although suburban shopping centers are found throughout the Federal Republic, they have not experienced the growth and popularity of those in the United States. Not only is the investment risk sizeable, but limitations also exist in the nature of the German housewife. She is generally not as automobile-oriented as her American suburban counterpart, and both tradition and limitations on refrigeration space require her to shop almost daily, explaining her continuing dependence on the neighborhood store.

The strides made in the self-service merchandising business in the past ten years have by no means done away with the corner butcher and baker, who continue their traditional roles in the neighborhood economy. However, with handsomely displayed, well-priced merchandise, accompanied by adequate advertising, the role of the self-service facility, whether in foodstuffs or consumer durables, will continue to increase in importance in the marketing sector of the West German economy.

GERMAN MARKET REPORT

Specialized in-store promotions can create new retail openings for American products in Germany

Legal restrictions on general sales in German stores force managements to seek varied foreign goods for special displays

By OLLIE B. ELLISON
Economic Officer,
U.S. Consulate General, Bremen

"Greenagers?" "Twens?" The coining of new "English" words is only one example of the imaginative measures German retailers use in promoting sales in their stores by directing their sales efforts at specific age groups of the buying public.

ELLISON

Inventiveness, ingenuity, creativity and imagination are just a few of the necessary prerequisites in the art of retailing in Germany, where clearance sales are rigidly regulated by law.

Surprising as it may sound, the German retail trade is permitted only two general clearance sales per year, one at the end of the summer season and one at the end of the winter season, and then only for a restricted period of time—mostly for two weeks. Special clearance sales, such as those in connection with reconstruction of a store or fire damage, are also subject to very strict government regulations.

Since practically all German retail stores participate simultaneously in end-of-summer and end-of-winter clearance sales on a nationwide basis, the individual store has little or no distinctive advantage over its competitors. As a result, German retailers have become past masters at organizing special license-free sales promotions, in order to attract buyers.

The scope of such special promotions is very broad. They include offerings of merchandise at special low prices, either as the result of markdowns of products which have been on the shelves too long, or through advantageous purchases. The well-known device of "loss leaders" falls into this category and is widely used by German retailers.

Special promotions also follow fashion trends, notably those endeavoring to take advantage of newly emerging consumer preferences for specific designs or colors.

Seasonal features related to summer or winter sports, camping, Christmas and other holidays play an important role in staging special promotions.

Often considerable advance planning also goes into such promotions, as when in cooperation with manufacturers a department store specializing in textiles developed a low-priced wrinkle-resistant suit for car drivers.

The directing of sales efforts at specific buyers' groups, the staging of product promotions from specific countries, or of specific producers, and the offering of special customer services are some of the other facets of German retailers' in-store promotions.

A number of Department of Commerce-supported "Amerika Weeks" have been successfully staged in leading German department stores and chains. These are usually store-wide promotions of a large variety of American goods, or prominent displays of selected goods in certain departments. However, because of the costs involved, most German retailers cannot afford a full blown "Amerika Weeks" promotion.

German retailers are increasingly turning to a different approach to promoting both domestic and foreign products, an approach which may also be effective in introducing American goods to the German market.

This technique involves a cooperative arrangement under which the German store provides the selling space and sales assistance as well as at least part of the advertising and publicity, while the U.S. supplier (manufacturer, exporter, dealer, agent, etc.) furnishes the merchandise, mostly on a consignment basis. The presence in the store of a representative of the U.S. supplier is an invaluable asset in such a promotion.

Of course, variations of the above arrangement are conceivable. Part of the merchandise may be supplied on an outright sale basis to the German store, and the U.S. firm may plan additional promo-

SPECIAL THEMES, such as U.S. products, are sought by German merchants for legally permissible promotions to supplement twice-yearly general sales. (Photo courtesy German Information Office, New York.)

tion efforts, through the hand-out of brochures, extra advertising, awarding of raffle prizes, and other variations.

German store managers could be persuaded to devote prominent shop window space to U.S. products and make special efforts to direct their clientele to U.S. exhibits and sales counters within the store. One big advantage of this approach is that the American exporter can take the initiative in staging the promotion more so than with "Amerika Weeks" sales.

The benefits of such a cooperative arrangement are mutual. The German retailer could have a rather special promotion adding to the public image of his store which would relieve him of the risk of being saddled with hard-to-sell products.

On the other hand, the U.S. supplier would have a unique opportunity to test at first hand the German market for his product. He would be exposed directly to the reactions of the German buying public and he could make on the spot decisions concerning possible price adjustments and adaptations of his product to the local market.

The cost of such a promotion could be kept at a reasonably low level since the amount of merchandise required need not be large. The effectiveness of such a market development campaign can be further enhanced by seeking the cooperation of the large German department store chains, which could set up consecutive series of such promotions at their individual stores. This method has already been tried successfully by Glamorise Foundations, Inc., of New York, N.Y., in introducing its foundation garments in Germany.

Such a cooperative arrangement is not for the company looking for a "one shot deal," but U.S. exporters interested in selling their products on a continuing and long term basis in Germany will find it a highly effective market development tool.

Who is your German licensee?

The Department of Commerce and diplomatic and commercial posts in Germany are anxious to know this in order to help your business in their handling of trade inquiries. If you give the name of your German licensee to a Commerce Field Office or the Bureau of International Commerce in Washington, they can often refer inquiries from German buyers in your field directly to him.

Surveys report U.S. firms' views on licensing agreements, German readiness to conclude still more

Respondents give details on contributions to net profits, royalty rates, what U.S. firms provide, what German firms want

By JOHN P. JURECKY
Commercial Officer,
U.S. Consulate General, Munich

What is an effective technique for U.S. manufacturers to make an initial entry into the German market, or for old-to-market firms to strengthen the current positions of their products in Germany?

JURECKY

How can these goals be accomplished without the usual administrative overhead and preoccupations that accompany normal export sales operations and without incurring any new capital outlays?

In what manner may all of this be achieved with a handsome contribution to company profits as the most important result?

The answer that many American manufacturers have found to these questions lies in a single word—licensing.

Licensing is nothing new, and most of us know the theoretical advantages it affords. However, practical experience in licensing is not so widespread.

Therefore, in order to benefit and learn from those who have been operating in this area of activity, relevant questionnaires were sent to 150 U.S. manufacturers who have granted licenses to German firms. The responses of the 83 who replied are summarized below as possible guidelines for others interested in licensing their products in Germany.

The results of this survey show that 34% of the licensing arrangements were established at the initiative of the German licensee, 40% at the initiative of the American licensor, and 22% had licenses that resulted from their own as well as their German licensor's initiative.

There is a tendency towards long-term arrangements, as evidenced by the fact that 77% of the American licensors indicated the life of the agreement was over five years. Half of them planned to renew the licensing agreement upon reaching its contracted termination date, and 19% said that on reaching this point they would progress to the stage of making a direct investment, either in a wholly-owned subsidiary or joint venture with the licensee.

Only one manufacturer of the 83 responding planned to drop its licensing program and revert to an export sales program, which says something about the relative desirability of these alternative techniques.

When asked what was provided to the licensee under the terms of the licensing contract, the 83 respondents replied as follows (some gave multiple answers): use of trademarks, 62; patents, 62; unpatented know-how, 66; specialized U.S. machinery or equipment, 9; U.S. technicians temporarily or indefinitely assigned, 28.

Thus, the majority of the arrangements involve no new, additional investment on the part of the licensor. In 69% of the cases, the payment received from the licensee is in the form of a royalty fee based on a percentage of sales spread over the life of the license, while 4% are paid a royalty based on a percentage of profits. 13% of the licensors indicated they received a lump-sum payment prior to the disclosure of the license.

Only one U.S. firm responded that it received an equity interest in the licensee firm in return for the license granted.

The royalty rate varies from product line to product line, but 10% of the respondents reported getting 2% or less; 17% said they got from 2.1-4.0%; 47% get 4.1-6.0%; 21% get 6.1-10% and 5% said they get more than 10%.

The importance of licensing to the li-

censor firm's profits may be judged from the responses regarding the contribution made by licensing operations to the firm's net profits: 1 respondent said it accounted for over 25%; 7 said it accounted for 15-25%; 4 said they received 10-14%; 13 said they made 5-9%; and 54 said it accounted for under 5%.

A total of 64% of the U.S. licensors stated they were expanding their licensing program. Fully 73% of them rated their experience with licensing arrangements in Germany as being satisfactory. Half of them called the results excellent to outstanding.

Potential German licensees

What then are the opportunities existing in Germany for new licensing arrangements? To answer this question and give as complete a picture as possible, a brief questionnaire was sent to 150 German manufacturers who were known to possess no U.S. licenses, but were otherwise chosen at random, querying them on a series of pertinent points.

A remarkable total of 99 replied, of which an even more noteworthy 59 signified that they would be interested in obtaining a license from an American manufacturer. The negative replies mainly stemmed from the fact that the production capacity of the respondents concerned was fully occupied.

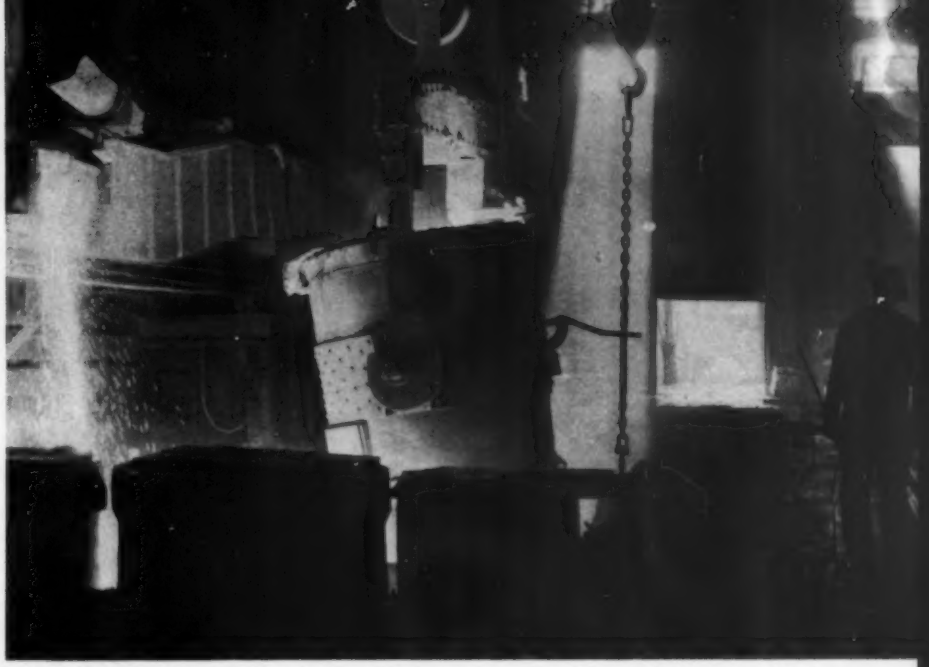
In order to obtain a general idea of which product categories were the most promising for new licensing arrangements, the interested German firms were specifically queried on this point and gave the following indications as to the type of product they wished to produce under license: electronic components, instruments, and systems, 19%; consumer electrical appliances, 10%; industrial electrical equipment, 8%; chemical and pharmaceutical, 10%; machinery, 19%; tools and devices, 16%; other, 18%.

The German companies preferred by a large margin—72% of the interested respondents to be exact—to pay a royalty fee based on a certain percentage of sales.

A total of 13% said they would rather have the royalty based on profits, and 8% opted for a onetime lump-sum payment upon disclosure of the license.

As might have been expected, the potential licensors tended to think in lower, but only slightly lower, terms than the licensees regarding the royalty fee rate. In answer to the question as to what percentage would be considered appropriate for the royalty fee, the responses ran as follows: 18% preferred 2% or less; 47% voted for 2.1-4%; 29% wanted 4.1-6%; and 6% would want 6.1-10%.

Two-thirds of the German respondents who declared an interest in obtaining a license also indicated they would also be interested in a cross licensing arrangement whereby they would exchange licenses with an American licensing partner.



LARGE GERMAN INDUSTRIES are actively seeking licenses to produce U.S. manufactures of all kinds. Agreements are in demand for electronic components, industrial electrical equipment, machinery.

A significant by-product of this second phase of the licensing survey where German firms were canvassed was the uncovering of several excellent licensing opportunities for American firms. The German firms found to be seeking licenses are engaged in many different fields of manufacture and located in every part of the Federal Republic. Steps are now under way at the seven Foreign Service posts in Germany to develop more complete information on each of the German companies concerned and the specifics of the licensing arrangements they are seeking.

Once this data is gathered and appraised by the Foreign Service, the reports will be published in condensed form in INTERNATIONAL COMMERCE and be otherwise promoted by the U.S. Department of Commerce.

This, incidentally, is the same process for handling all licensing proposals developed by U.S. Foreign Service posts worldwide.

If a U.S. firm is interested in establishing a licensing arrangement abroad and has found no suitable leads, there is an excellent service available through any U.S. Department of Commerce Field Office that will more than facilitate matters. The service referred to is the Trade Contact Survey, and the specific form to be filled out is the FC-965 *Application for Assistance in Selecting a Firm to Manufacture Under License.*

This is the first step in a process that leads to a very thorough and detailed search by all the Foreign Service posts in the given country for prospective licensees that match the specifications set out by the U.S. applicant firm. The $50 cost of this service makes it one of the best buys in the business world and represents only a fraction of the total costs involved.

Licensing seems to be the best route for manufacturers to travel if they seek to establish a foreign market for their products, but do not wish to incur any significant expenses or problems while doing so.

In view of the recent restrictions on investments by the United States Government, the licensing technique assumes added relevance. When the time comes that these controls are lifted and the market has been tested and developed by the licensor firm, and, of course, when the license contract expires, the licensor will be in a position to progress to a more active participation either through a joint venture or subsidiary if warranted.

The survey shows emphatically that German industrial firms are most receptive to the whole licensing concept, and in fact are eagerly seekinp U.S. licensors. It only remains for the U.S. firms to take some initiatives to exploit the outstanding opportunities which exist.

van carriers and five straddle carriers, and

would not have been possible if the new

VIGOROUS HAMBURG has regained its position as one of the world's leading ports since being leveled in World War II. (German Information Center Photo)

GERMAN MARKET REPORT

Booming Port of Hamburg prepares for container trade revolution

High proportion of port's imports are high-value specialty items; Old Hanseatic League trading city has been free port since 1888

By JOHN C. WEISERT
Consulate General, Hamburg

Only twenty-two years after the total destruction of the Second World War, the Hamburg port is going stronger than ever in its nearly 800 years of history. In 1966 the port of Hamburg handled 37.5 million tons of goods to account for 15.1% of Germany's foreign trade; 1967, in spite of the slight West German economic recession, should show almost the same figures.

WEISERT

Twenty thousand ships of all tonnages entered and left the harbor in 1966 from every part of the globe. Imports totaled $2.7 billion and exports over $3 billion.

The highest proportion of traffic was in mixed cargo—a characteristic of Hamburg—valuable raw materials, foodstuffs from overseas, and manufactured goods from the European hinterland. There was oil and coal and grain as bulk cargoes too, but specialties like bananas and exotic mahogany logs give the port its flavor and its strength.

Aided somewhat by the U.S. Army's early adoption of containers, Hamburg's rival Hanseatic city, Bremen, with its port of Bremerhaven, had taken an early lead on container handling.

But Hamburg's city fathers have responded to the container challenge, and Hamburg is rapidly building a Container Terminal in the Waltershof harbor area which in its conception, location, and overall size is probably unique on the European continent.

Most observers feel that Hamburg will win this race with its rival. Since the middle of 1966, two deep-sea berths and 60,000 square meters have been made available to handle containers. Mobile cranes up to 30.5 tons for loading and unloading container rail cars and road trailers are now in service and 20,000 more square meters of quayside space will be put into service this coming spring.

In addition, a large transit shed with 7,500 square meters of floor space is available for packing and unpacking containers. An enormous crane with a 45-ton lifting capacity will be delivered in the fall of 1968.

Container picture

To sum up the container picture for Hamburg: by autumn the port of Hamburg will have available 2600 feet of wharfage with ample depth of water for the most modern of container and semi-container ships. It will have 120,000 square meters of paved area, two sheds covering 10,000 square meters, container cranes handling up to 45 tons, four large

van carriers and five straddle carriers, and two mobile cranes each capable of lifting thirty tons.

In addition to this, the container port also contains the necessary traction gear and fork lift trucks. Eventually there will be space for 14 berths which should give the port a theoretical handling capacity in container cargo of up to seven million tons a year.

Hamburg's late start in container handling is now turned to its advantage since these new and thoroughly modern facilities coming into being represent a centralization and concentration which would not have been possible if the new port, like Topsy, had "just growed".

The new German minister of transport, Herr Leber, is making strong efforts to bring the German Federal Railway system into the container handling field, thus cutting autobahn congestion and railway losses at the same time.

New rail facilities hooking the new container center into the German rail network will make it possible initially to move a good many containers exclusive of trucks.

But truck traffic is not forgotten—the Western Autobahn Bypass coming from the south will lead directly through the container terminal district. This will eventually permit truck traffic immediate access to the German super-highway system with no delays in traffic-choked connecting roads.

Nor has Hamburg forgotten the small general export consignments which don't adapt to containers. An 'Overseas Center' for consolidated export cargoes covering 145,000 square meters (110,000 square meters under cover) was completed in the middle of 1967 and is without parallel in any other port of the world.

Eighty-four harbor lighters can berth simultaneously along the wharf on the shed's waterside. One hundred and twenty-five fork lift trucks and 80 electric tractors with 700 trailers take charge of more than 3000 consignments of over 20,000 individual packages to be dispatched each day. There are 34,000 pallets stacked on racks in sections representing the different continents. The racks are lined up in such a way that the corridors between them provide a rail guided track for the fork-lift trucks, requiring no steering by the operator, who can concentrate on stacking the merchandise, sometimes as high has 30 feet over his head.

In keeping with the super-modern character of the "Overseas Center", even special new or remodeled lighters and scows berth head-on along the lighter wharf. A new type of combination towing/packer tug of most effective maneuverability has been developed for the smooth handling of these harbor craft.

The wide harbor basins and the spacious river Elbe allow barges and lighters to operate from floating dolphin berths.

Bulk goods, particularly, make use of this arrangement. When grain ships discharge at dolphin berths, floating grain elevators moor alongside, lower their trunks into the ships holds and suck the commodity into coasting vessels, inland water craft, or harbor lighters.

The port of Hamburg has been a free port since the customs union with the German Empire in 1888. With an area of 3,650 acres, it is one of the largest free ports in the world. About 1000 firms have their headquarters in the port.

The port operates around the clock and can unload perishables with no spoilage worry. A recent banana-ship with 263,300 boxes or 3,420 tons of bananas, was unloaded in 32 hours. Thirty thousand tons of West Virginia coal can be unloaded in fifty hours; 36,000 tons of crude oil (Esso, Mobil, Shell, and BP all have refineries here) can be unloaded in about 15 hours, and 30,000 tons of grain in 20 hours.

Of all the ports on the continent of Europe, Hamburg has the most berths, the greatest silo capacity, the most cranes and the largest fleet of freight carrying barges.

Constant expansion

The Elbe fairway is constantly being expanded and improved by dredging and training works. At present its depth of water is 40 feet at mean low tide throughout and fully laden 50,000 ton vessels reach the port riding the tide. A further deepening to 43 feet is under way. After this is accomplished, ships up to 70,000 tons will be able to navigate the Elbe.

No report to Americans about Hamburg is complete without a bow to the splendid people who make up the "Free and Hanseatic City of Hamburg". For nearly a thousand years the merchants and shippers of Hamburg have prided themselves on their love of freedom and their independent world-wide outlook, befitting a seagoing people.

FIRST GERMAN CONTAINER TRAIN, part of which originated at the Port of Hamburg, heads for inland markets. Germany's transport minister is trying to bring the Federal Railways into the container handling field (see story on p. 24).

Business in Germany

The Bureau of International Commerce has published several Overseas Business Reports and other special reports on doing business in Germany. Unless otherwise noted, these reports are available for 15 cents apiece from any Commerce Dept. Field Office or the Department's Sales and Distribution Office in Washington. They include:

Basic Data on the Economy. OBR 67-24. 20 pp. May 1967.

Customs Valuation Under the Revised German Customs Law, Effective January 1962. OBR 62-22. 3 pp. Jan. 1963.

Foreign Trade Regulations of the Republic of Germany. OBR 64-55. 10 pp. June 1964.

German Turnover Tax Law (Value-Added Tax) to May 29, 1967, OBR 67-70. 24 pp. Nov. 1967.

The Law on Cartels in the Federal Republic of Germany and West Berlin. Amended. Free.

Markets Factors. OBR 65-16. 7 pp. Mar. 1965.

The Market for Residential Heating Equipment in the Federal Republic of. (BDSA). OBR 67-1. 6 pp. Jan. 1967.

The Market for Semiconductor Devices in W. Germany and Italy. 1964. 24 pp.

The Motion Picture Industry of the Federal Republic of Germany. (BDSA). OBR 65-53. 4 pp.

Residence and Business Rights of Aliens in the Federal Republic of Germany and West Berlin. 5 pp. Jan. 1966. Free.

Establishing a Business in the Federal Republic of Germany and West Berlin. OBR 67-82. 24 pp. Dec. 1967.

GERMAN MARKET REPORT

Nation's first inland container terminal opens at Frankfurt

Similar terminals are planned soon at Munich, Nuremberg, Basel

The Federal Republic's first inland rail container terminal at Frankfurt/Main—Transcontainer-Terminal Frankfurt (M) Ost—was officially opened Feb. 6 at the Frankfurt-East freight yard of the German Federal Railway. The inauguration was marked by the arrival of the first regularly scheduled overnight special container train from the ports of Hamburg and Bremen.

Independent sections of this special train, called the Delphin, leave each port at 5 p.m., Monday through Friday, and are combined at Hanover. From Hanover the train runs non-stop to Frankfurt, arriving about 2 a.m. Part of the train then continues on to Ludwigsburg near Stuttgart.

At present, only in-bound trains are operated, but plans have been made to operate coast-bound trains as well after May of this year, if there is sufficient container volume to warrant the service. Provision has also been made to operate up to four additional in-bound trains to service the arrivals of special containerships at the ports. To speed up container movement from the ports, customs formalities can be handled at the points of destination instead of at the ports of entry.

Opening of the Frankfurt terminal represents the first stage in the development of this type of facility. A second stage, planned for the near future, calls for similar terminals at Munich, Nuremberg, and Basel in Switzerland; a later planning stage foresees terminals in the Rhine/Ruhr area and at Hanover. These locations have been selected because of their favorable highway connections and importance as distribution centers.

In addition to providing U.S. exporters to the German market with the facilities for speedier deliveries, this new German emphasis on container terminals may afford sales opportunities to U.S. manufacturers of container-handling equipment. The major customer for such equipment would be the German Federal Railway (Bundesbahn) which operates the freight yards, owns the rolling stock and delivers the containers with its own special road vehicles. At a later date, however, private forwarders also may enter the market as the Federal Railway plans to permit them to make deliveries by road with their own equipment.

The Federal Railway has offices in the United States at 11 West 42d St., New York, N.Y. 10036.

Frankfurt airport is gateway for many U.S. products; also prime source of contracts for U.S. builders

Ambitious program strives to prepare for era of the jumbo jets; U.S. firms have already sold $1 million for airport project

By JAMES F. AMORY
Commercial Officer
U.S. Consulate General, Frankfurt

The Frankfurt Intercontinental Airport, one of the "big three" of Europe, plays a key role in trade relations between Germany and the United States.

AMORY

Most American businessmen traveling to Germany arrive and depart through Frankfurt. Many U.S. exporters and American companies in Germany make frequent use of the Airport's facilities for handling air cargo shipments. The Airport and its associated Rhine/Main Air Base is the central air terminal for the U.S. military forces in Germany. Airport contractors' requirements for equipment and services provide business opportunities for American suppliers.

Major construction projects under way and in the final planning stages assure that Frankfurt will continue to meet the requirements of the American trade through its preparedness to service the vast increases in passenger and cargo traffic predicted for the approaching era of the jumbo jet and the supersonic transport.

Frankfurt's central location, its excellent rail and highway connections and the extraordinary economic development of the Frankfurt region make it the natural leading terminal and transfer point of the Central European air transport system.

With the support of the major airlines and of the Federal Republic, the Frankfurt City Government and the Government of the State of Hesse, the Frankfurt Airport management has shown foresight and ability in making the most of these opportunities.

With 6.3 million passengers handled in 1967 Frankfurt ranked third in Europe in passenger traffic after London and Paris-Orly. With 179,252 tons of air freight in the same year Frankfurt was second only to London and well ahead of Paris. Frankfurt is also in second place after London in air charter traffic.

Frankfurt has direct international flights to 124 cities throughout the world and services 51 scheduled airlines.

North Atlantic route

Frankfurt was a pioneer in developing air routes between Europe and America. The first regular air passenger service across the North Atlantic was inaugurated in the 1930s using the Frankfurt-based dirigibles "Graf Zeppelin" and "Hindenburg." In two years these great airships carried about 3,000 passengers on this route, approximately the number of North Atlantic travelers that passed through the Frankfurt airport every 36 hours in 1967.

The destruction by fire of the "Hindenburg" at Lakehurst in 1937 and the outbreak of World War II not only brought an end to the epoch of the great dirigibles, but also marked the beginning of

MAJOR ENTRY FOR U.S. airborne shipments to Germany and most of Western Europe is the Frankfurt airport. Modernization program is in progress at airport.

a long pause in Frankfurt's participation in the North Atlantic air traffic.

The first post-war civil passenger service between Germany and the United States was inaugurated in May 1946 with Frankfurt as the German terminal. In 1947 regular air freight flights were established on the Frankfurt-New York route. Frankfurt's share in the North Atlantic traffic advanced steadily to reach its present commanding position.

In 1967 approximately 1,125,000 air passengers traveled between Germany and the United States, of which about 83% arrived or departed through Frankfurt. The remaining 17% passed through the other nine German airports. With 935,000 North Atlantic passengers in 1967 Frankfurt ranked first on the Continent and second in Europe, after London and ahead of Paris-Orly.

Air freight moving between the United States and Frankfurt reached about 25,500 tons in 1967. These and other indicators such as charter flights and airmail tonnage show that, in traffic with North America, Frankfurt is the second-ranking European and the leading Continental airport.

The location of the Airport is one factor leading to a large concentration of American firms in the Frankfurt area.

The Boeing 747, a jumbo jet with a capacity of 490 passengers or 70-90 tons of freight, is scheduled to enter service in 1969. The Lockheed L-500 will accommodate about 850 passengers in its military version. Supersonic transports such as the Anglo-French Concorde, the Russian TU 144 and the Boeing 2707 (with a capacity of 300 passengers and a speed of 1700 m.p.h.) will undoubtedly be carrying a large share of the transatlantic traffic by the end of the next decade.

New generation

The introduction of this new generation of aircraft and other growth factors are expected to result in a strong expansion of air traffic during the next few years. The use of the new larger and faster equipment will tend to concentrate traffic at the very largest airports.

In consideration of these factors the German Commercial Airport Operators Association predicts that in 1977 from 21.6 to 25.8 million passengers will move through Frankfurt Airport, compared to 6.3 million in 1967. Air freight turnover in 1977 is a predicted 1.5 to 2 million tons, compared with 179,252 tons in 1967.

In view of this projected explosive increase in demand for its services the Frankfurt Airport is faced with major problems of adaptation and development. Airport officials are confident, however, that their construction projects underway and their plans for the future will continue to provide all the facilities necessary to meet the increasing requirements of the airlines and their customers.

The expansion program includes the following major elements:

- The new West Passenger Terminal, to be completed in 1971 at a cost of over $120 million, will be the largest single building in the Federal Republic. Approximately 2,400 feet long, with three wings extending into the loading area, it will serve 35 aircraft parking positions, 20 of which will be equipped to handle jumbo jets. Including existing positions the Airport will have 70 locations for loading and unloading passengers. The new Terminal will use the most advanced techniques for speeding the movement of passengers, including conveyor passageways and covered telescoping bridges to link loading and discharging aircraft with the building;
- New facilities are planned to handle simultaneously the baggage of 13,000 passengers at peak periods;
- Parking areas, including multi-level

LARGEST BUILDING IN EUROPE, after its completion in 1971, the new Terminal at Frankfurt airport has provided $1 million in contracts for U.S. suppliers.

parking garages, are being expanded to accommodate 10,000-12,000 automobiles;

- A 500-bed Airport Hotel is under construction. Additional hotels in the vicinity of the Airport are foreseen;
- A branch passenger railway line is planned to connect the Airport with the German Federal Railway system, to relieve some of the pressure of vehicular traffic;
- Another major project is the new $75 million Air Freight Terminal now under construction in preparation for the middle 1970's when volumes of up to two million tons annually are anticipated. This "Freight City," as Airport officials call it, will cover an area of nearly one-half square mile. Its buildings, installations, loading and transport equipment will be designed to handle piece goods as well as containers in the largest sizes used internationally. Freight movements will be automated to the greatest possible extent. A railway spur to the Terminal will expedite the transfer of freight into the surface transportation system;
- A proposed Free Trade Zone would permit firms to store, clean, repack and reprocess goods of foreign origin before entering the customs boundaries of Germany and other countries. This facility would be of particular interest to American suppliers in a number of lines, including electronics. The Free Trade Zone has the support of the Airport management and of the Frankfurt Chamber of Commerce and Industry, but it has not yet been finally approved. Bonded warehouse services are already available in the Frankfurt area;
- A third 4,000 meter take-off strip is considered necessary to handle the volume of aircraft movements foreseen for the mid-1970's.

Construction and financial planning for the proposed runway is in an advanced stage, but all of the problems involving the interests of nearby communities, which are concerned about land acquisitions and noise levels, have not yet been reconciled. Concern is expressed that without the additional runway a bottleneck might develop that would divert traffic, especially important North American traffic, to other airports, probably more to large airports in adjoining countries than to other German airports.

Local government officials and the Airport management are working hard to establish a basis for building the new runway.

Major U.S. participation

According to the Supervisor of Construction of the State of Hesse, American firms supplied approximately $1 million worth of equipment and materials to German prime contractors in 1967 for use in the construction of the West Passenger Terminal. Airport officials consider that American manufacturers are in an especially favorable position to supply the following items to be used in the equipment and building programs of the Frankfurt Airport:

Runway clearing equipment; pneumatic turbines for aircraft engine starting equipment; servicing equipment for aircraft; air conditioning and refrigeration equipment; control systems for heating and ventilation; communications systems; air traffic survey and control systems; simulators; electrical control systems; light and heat reflecting glass for buildings; and special impermeable materials for joints in construction work.

New-to-market firms interested in offering their products to contractors at the Frankfurt International Airport and other airports in Germany are invited to write to the Commercial Counselor, American Embassy Bonn, 532 Bad Godesberg, Mehlemer Aue, Germany.

Photo Fair Film

The Cologne International Trade Fair Corporation, sponsor of "Photokina 1968", has released a new 16 mm. color sound film on the International Photographic Trade Fair, to be held in Cologne, Sept. 28 to Oct. 6.

This film is available to business associations, photographic clubs, photographic societies and industrial groups interested in the use of photography in the development of their products.

The 10-minute free film is obtainable from Nathan D. Golden, 854 Warner Bldg., 501 13th St. NW., Washington D.C., 20004, Washington Representative, Cologne International Trade Fairs Corp.

U.S. forces in Germany constitute ready-made market for Americans

Commissaries, post exchanges favor U.S. products over similar foreign goods; recreational equipment especially in demand

By ROBERT E. DAY, JR.
Commercial Officer,
U.S. Consulate General, Frankfurt

"How can my firm do business with the U.S. military here in Europe?" ask American visitors at the Foreign Service posts in Germany and the U.S. Trade Center in Frankfurt.

DAY

For the many firms interested in the answer to this question, the American Consulate General in Frankfurt has gone out and obtained the information.

As part of the Defense Department's International Balance of Payments program to reduce the foreign exchange costs of stationing U.S. troops in Europe, military procurement officials are intensifying their efforts to identify U.S. produced goods available in Europe.

Known in military circles as the "gold flow program," or simply "IBOP", the new measures direct the procurement offices to reevaluate their current potential sources of supply.

There are numerous cases in which it is more advantageous to the military to buy U.S. end products in Europe than to use Stateside sources. Quicker delivery, better maintenance services and lower costs are some of the principal advantages of purchasing from Europe-based suppliers of U.S. end products. Such suppliers are also more accessible to both U.S. procurement officials in Europe and to European prime contractors.

All Department of Defense purchase made in Europe are subject to U.S. statute. Executive Order and the Armed Services Procurement Regulations, which define a "U.S. end product" as "an unmanufactured end product which has been mined or produced in the United States, or an end product manufactured in the United States if the cost of its components which are mined, produced, or manufactured in the United States exceeds 50% of the cost of all its components."

A list showing European-based U.S. military procurement offices and their commodity interests has been prepared by the Headquarters, United States Europe Command (USEUCOM), Stuttgart, Germany, which determines overall procurement policy for the U.S. Forces in Europe and allocates product responsibilities to the various subordinate commands and installations.

The list was last revised in August 1967 to reflect the changes which occurred during the troop relocations out of France. Procurement activities and purchasing offices of greatest interest to most U.S. inquiries are discussed in greater detail in the second half of this article.

Advantages to firm

A U.S. firm successfully selling U.S. end products to U.S. procurement offices usually finds that such sales not only increase its total volume of business in Europe, but carry added advantages as well. The local dealer becomes better acquainted with heavy-turnover items and his interest in the line increases. This in turn tends to boost his commercial sales in the European market.

Through his increased knowledge of the user level requirements, the local dealer also is encouraged to carry a more complete stock of replacement parts. Sales and service contracts with the U.S. military have enabled one German importer, for example, to provide greatly improved service to his German customers for certain makes of U.S. construction machinery and fork lift trucks. Spare parts inventories can now be managed more efficiently, resulting in lower costs per unit serviced.

A number of U.S. firms find military sales sufficiently interesting to warrant engaging the services of one of the dozens of military sales representatives established in Germany, some of whom are affiliated with Stateside organizations.

U.S. Army Procurement Center, Frankfurt—Located in the Taunus Haus, 141 Hansa Allee, 6 Frankfurt/Main, the Center is authorized to negotiate and consummate contracts on behalf of virtually all U.S. Military and other Federal departments or agencies operating in Europe and, generally speaking, purchases most of the high dollar value equipment on projects over $10,000. As a part of its mission, it supports most of the activities mentioned elsewhere in this article.

It also has a technical support function, to assist in the administration of licensing programs for the production of defense hardware in Germany.

U.S. firms, their overseas representatives and U.S. subsidiaries abroad may offer U.S. goods and services and receive solicitations to bid by contacting the Chief, Contractor Appraisal Branch, Procurement Support Division, U.S. Army Procurement Center at the above Frankfurt address or, when writing from the United States, at APO New York 09757.

Like any other Department of Defense procurement activity, the Frankfurt Center requires potential suppliers to complete and submit the Standard Form 129, prescribed by the General Services Administration, and DD Form 558-1, the Bidder's Mailing List Application supplemental data sheet. These forms are described in a Defense Department Pamphlet entitled "Selling to the Military," which also contains general information and guidance.

The pamphlet may be purchased for 35 cents from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

ECRIB for Commissary Products—Another activity offering marketing opportunities to overseas representatives of U.S. firms is the European Commissary Resale Item Board (ECRIB) which meets twice a year in Giessen, Germany. The purpose of this board, not actually an ordering activity, is to review items being offered for sale in commissary stores and recommend new items to be added to the stockage list.

Generally the number of items in the system is limited to a specific number. When a new item is added, a similar item is normally deleted.

The ECRIB recommendations are processed and usually adopted by the USACOMZEUR Supply & Maintenance Agency, Subsistence Division, Zweibruecken, Germany (APO New York 09052). The Subsistence Division regularly announces the dates of the ECRIB meetings, the product categories to be

considered and the procedures to be followed by vendors. The announcement is mailed to vendors approximately 90 days prior to an ECRIB meeting and contains complete instructions for the submission of samples.

European Exchange System—Post exchanges of the U.S. Army and Air Force in Europe have been merged into a single European Exchange System (EES), with headquarters in Nuremberg, Germany. Virtually all purchases of the exchanges and a number of other non-appropriated fund organizations, including clubs, have been placed indefinitely under the centralized coordination of EES for balance-of-payments reasons, resulting in a switch to U.S. sources for procurement of many categories of merchandise.

The merchandise carried in the European Exchange System is reviewed at regular intervals by the Merchandise Selection Committee, which meets once a month at the System's headquarters in Nuremberg.

The Committee's recommendations for U.S.-made products to be added to the system are forwarded for action to procurement officials at Headquarters, Army & Air Force Exchange Service, Dallas, Tex. 75222. All purchases of U.S. products for the exchanges in Europe are made by the A & AFES Headquarters in Dallas.

BUSH Program—Developed by the U.S. Air Force in Europe, the BUSH (Buy U.S. Here) Program is now administered on behalf of all Federal contracting officers and ordering activities, including the Army, Navy, Air Force, State Department and various Non-Appropriated Fund activities. Examples of NAF activities using the BUSH program are Officers' and NCO Clubs, golf courses, rod and gun clubs, bowling lanes, hobby shops and service clubs.

As a result of the USEUCOM assignments of product responsibilities, the Air Force-administered BUSH program is primarily of interest to suppliers of office machines and supplies (but not electronic computers), training aids, prefab steel structures, paints and building materials.

U.S. end products eligible for BUSH contracts are normally commercial type products for which there is an extensive or recurring need and which are usually sold to local U.S. Forces procurement activities. BUSH contracts are also written for office equipment rentals.

Excluded from BUSH are products which are: regularly stocked by General Service Administrations stores; covered by the GSA National Buy Program; for medical use; of a strictly military nature; and those assigned by USEUCOM to the U.S. Army Europe. Also excluded are products which affect flight safety.

Pricing, delivery schedules and delivery points are the key elements in a BUSH contract, buying in Europe must be more advantageous than buying like items in the United States. The supplier is also called upon to provide warranty services, instruction and installation and maintenance, as applicable. The extent to which the agreement is used varies directly with the sales efforts of the firm and its local representatives.

Contracts and an "Authorized Price List" are negotiated directly with the USAFE Procurement Centers in Wiesbaden and London. The U.S. contractor may agree to deliver to all or part of the Centers' procurement area, which covers Europe, Northern Africa, the Near East and West Pakistan.

U.S. subsidiaries overseas and foreign firms authorized to sell U.S. end products may obtain additional information by writing to the USAFE Procurement Center-Germany, Attn: BUSH Branch (UPC-GB), Building 13A, Wiesbaden Air Base, 62 Wiesbaden-Erbenheim, Germany. Correspondence from the United States may be addressed to the same organization at APO New York 09332.

U.S. ARMY PROCUREMENT CENTER in Frankfurt is the centralized purchasing agency for the needs of nearly all U.S. military and other personnel now operating in Europe. Supply bids are handled here.

Army Engineers' needs

Another activity engaged in an all-out effort to implement the balance of payments program is the U.S. Army Engineer Command Europe, located in Frankfurt. This Command designs and carries out all Army and Air Force construction projects in Germany, Belgium and the Netherlands. Projects range from $25,000 up to $8 million.

The Engineer Command strives to place full responsibility for materials procurement on the prime contractor and wherever appropriate will stipulate U.S. end products in the project specifications. This will normally be done when the prices are in line with balance of payments requirements and the Engineer Command is convinced that the prime contractor will have ready access to Europe-based sources for U.S. end products.

Data sought

In order to make maximum use of U.S.-made construction materials, inventoried and readily available in Europe, the Engineer Command is interested in obtaining full data from U.S. firms, their overseas subsidiaries or their European agents. Documentation should include brochures, price ranges and delivery times. Price information should be clearly stated to show that U.S. end products meet the requirements of the balance of payments program's procedures.

The broad range of products of interest to the Engineer Command includes, for example, roofing and floor construction systems, floor tiles, prefab installations and structures, acoustical tiles, bituminous products, air conditioning systems, internal communications systems and electrical equipment.

Interested firms should submit pertinent information to the Engineering Directorate (Plans & Programs Division), Engineer Command, Annex B, IG Farben Building, 6 Frankfurt/Main, Germany. Correspondence from the United States may be addressed to the same organization, APO New York 09757.

Hotel furnishings.—Additional inquiries received recently from miscellaneous other U.S. Forces installations reflect the broadening efforts to buy U.S. end products over here in Europe. The U.S. Army Terminal Command in Bremerhaven, for example, has also called on the Consulate-General for assistance in identifying European-based suppliers of U.S. construction materials, while the U.S. Army Recreation Centers in Garmisch and Berchtesgaden seek U.S. hotel and restaurant furnishings and equipment.

Summing it up: an interesting potential market awaits aggressive U.S. suppliers and their European representatives. If unable to locate ready sources of supply for U.S.-made goods, many of these procurement activities will be forced by operational considerations to fall back on their traditional local supply sources.

CHAMBER ATTRACTS INFLUENTIAL GUESTS, indicating its acceptance as a leading force in U.S.-German trade. Here, outgoing Ambassador McGhee (l.) and Volkswagen head Dr. Heinrich Nordhoff (c.) pose with Chamber President Otto Schoeppler. Dr. Nordhoff was featured speaker at 1967 meeting.

GERMAN MARKET REPORT

American Chamber of Commerce provides ready forum for business contacts by U.S. firms in Germany

Group revives ancient ritual in thanks for business hospitality; to publish German-language guide to trade, investment in U.S.

By OTTO SCHOEPPLER
President, American Chamber of Commerce in Germany

For the American businessman visiting Germany, the American Chamber of Commerce in Germany is a prime source of commercial information, and an excellent starting point in the search for the right contacts to German business and industry.

The Chamber is much more to American businessmen living and working in the Federal Republic: it is an ideal forum in which problems surrounding the international business relationships between our two countries can be discussed informally in an atmosphere of understanding and cooperation, and our thinking on these problems given voice. It is for this reason that the Chamber welcomes the active membership of German companies, as a stimulus to achieving an atmosphere in which two-way trade and investment can flourish.

Examples of activity

Two examples, based upon the Chamber's work in 1967, illustrate this point:

► As a Chamber, together with the entire Council of American Chambers of Commerce in Europe representing over 10,000 U.S. companies operating here, we protested strongly against the proposed protectionist legislation introduced in Congress; both in the interest of our European members, and indeed in our own, for we had very good reason to believe that Europe would take reprisals against American trade and business interests abroad, if such legislation were to be passed.

► As a Chamber, we are constantly trying to counterbalance the possible adverse effects of differences in the German and U.S. tax structures. Our work on the Double Taxation Treaty between Germany and the United States helped to see that the treaty included provisions that both the business subsidiaries and citizens of one country operating in the other would not be subjected to unfair taxation in both countries. When the German Government passed two new tax laws in 1967, the Added Value Tax (Mehrwert-

Berlin Office
Manager: Klaus L. Bartels
1 Berlin 12
Fasanenstr. 4
Tel.: 32 87 07-08

Bremen Office
Representative: Dr. A. Thiermann
28 Bremen
Hinter dem Schütting
Tel.: 36 61

Frankfurt Office
Manager: Paul G. Baudler
6 Frankfurt/Main
Rossmarkt 12
Tel.: 28 25 54, 28 34 01

Duesseldorf Office
Manager: Norbert G. Elsner
4 Duesseldorf
Cecilianallee 79
Tel.: 43 38 09

Hamburg Office
Representative: Helga Wieler
2 Hamburg 13
Tesdorpfstr. 1
Tel.: 44 99 84

Munich Office
Manager: Dr. Jutta R Schaller
8 München 2
Marienplatz 26
Tel.: 24 11 68

U.S. Representative
Daniel F. Magner
c/o Fry Consultants, Inc.
1346 Connecticut Ave.,
Washington D.C. 20036

U.S.-German business contacts

Businessmen desiring business contacts in the Federal Republic of Germany or West Berlin may consult any of the 42 Department of Commerce Field Offices, listed on page 46 of this issue, the U.S. Embassy or U.S. Consulates General in Germany, or the German Embassy, German Consulates General or Consulates in the United States.

The United States maintains an Embassy in Bonn, at 532 Bad Godesberg, Mehlemer Ave., (telephone 60-155); a Mission in Berlin at 1 Berlin-Dahlem, 170 Clayallee (74-65-31); and Consulates General at 28 Bremen, Praesident-Kennedy Platz 1, (32-00-01); 2 Hamburg, 27/28 Alsterufer (44-10-61); 4 Duesseldorf, 5 Cicilien Allee (49-00-81); 6 Frankfurt/Main, Siesmayerstrasse 21, (77-07-31), (The Commercial Section is in the Trade Center at Frankfurt); 8 Munich, 5 Koeniginstrasse (22-89-31); and 7 Stuttgart, 7 Urbanstrasse (246-341). The U.S. Trade Center is at 6 Frankfurt/Main, Bockenheimer Landstrasse 2-4 (72-08-01).

The German Government maintains an Embassy at 4645 Reservoir Road NW., Washington, D.C. 20007 (telephone 202-331-3000). Consulates General are located at 535 Boylston St., Boston 02116 (Ke 6-4414); 104 South Michigan Ave., Chicago 60603 (An 3-0850); 2200 Book Building, Washington Boulevard, Detroit 48226 (Wo 2-6526); 3450 Wilshire Boulevard, Los Angeles 90005 (Du 4-2141); 319 John Hancock Building, 1055 St. Charles Ave., New Orleans 70130 (524-0356); 460 Park Ave., New York 10022 (Mu 8-3523); 6th Floor, International Bldg., 601 California Street, San Francisco 94108 (Yu 1-4250).

German Consulates are maintained at 1210 Fulton National Bank Bldg., 55 Marietta Street, NW., Atlanta 30303 (525-2097); 1444 Illuminating Bldg., 55 Public Square, Cleveland 44113 (Su 1-7303); 3600 Yoakum Boulevard, P.O. Box 66288, Houston 77006 (Ja 9-3631); 904 Bryant Bldg., 1102 Grand Ave., Kansas City 64106 (Vi 2-8895); 2623 PSFS Building, 12 South 12th St., Philadelphia 19107 (Wa 2-7415); 1617 IBM Building, 1200 Fifth Ave., Seattle 98101 (Mu 2-4313).

steuer) and the new Social Security Law (Rentengesetz), the Tax Committee of the American Chamber of Commerce in Germany began analysis and work on ways and means of harmonizing the German regulations with the American tax and social security systems.

Impact hard to judge

While it is often difficult to judge the real impact of the Chamber's work, we do know that it has made positive contributions toward furthering closer ties between the German and American economies. At the council meeting of the American Chambers of Commerce in Europe last October, Fritz Berg, the President of the Federation of German Industries, came out strongly in favor of a continued policy of liberalization toward American investments in Germany, despite negative rumblings in some quarters against further "selling out" to what was referred to as "American economic colonialism."

The status of the Chamber in the eyes of German business leaders was evident at our annual meeting last April, when Professor Dr. Heinrich Nordhoff, the Dean of German industry and head of the famed Volkswagen-Werke, accepted an invitation to be the main speaker at the event.

Professor Nordhoff paid his respects to American management methods, and expressed his gratitude to the United States not only for economic aid and trade opportunities, but also for the more intangible benefits of management and technological know-how, from organization and production methods to the equally important techniques of creative personnel management and marketing, and for the stimulation of tough competition which, he said, in a free market honed the industries of both countries to a keen edge.

The Chamber is, moreover, well aware of the benefits which American business has derived from its activity in the German market, and equally aware of the responsibilities which go with these benefits. In symbolic recognition of these responsibilities, the Chamber revived the tradition of the "Pipers' Court" in Frankfurt last September.

During the Middle Ages, the Piper's Court became an annual event during which the Mayors of Nuremberg, Bamberg and several other German cities having strong economic ties with Frankfurt, came to Frankfurt to present its Lord Mayor with gifts symbolizing the gratitude of their citizens for the privilege of trading freely in Frankfurt. The ceremony is believed to be as old as the Frankfurt Fair, which dates from the late 700's, but ceased to be held in 1802 when Napoleon held sway.

Lord Mayor attends

At our modern day Pipers' Court in September, the American Chamber of Commerce in Germany, led by 20 of its leading members, formed a procession heralded by three pipers, playing instruments of the time and dressed in garments of the last recorded Pipers' Court, and filed through Frankfurt's City Hall to greet the present Lord Mayor, Professor W. Brundert, and to thank him for the support his city has given American businessmen in modern times.

As a more tangible sign of gratitude, the Chamber has also sponsored the writing of a German-language guide to trading with and investing in the United States, to help German businessmen in their efforts to increase business with America. The guide, which will be published early in 1968, bears a Foreword by both the German Minister of Economics, Professor Karl Schiller, and former Secretary of Commerce Alexander B. Trowbridge.

Close Embassy ties

The Chamber's work is made much easier by the excellent working relationship which it has with the U.S. Embassy in Bonn and other U.S. diplomatic posts throughout Germany.

The Chamber is now looking forward to a new year of service to German and American companies and individuals. It does not limit assistance to members only, but welcomes the opportunity to assist all who are trying to expand trade and business between Germany and the United States. In the past year the Chamber had well over 20,000 inquiries, by mail, telephone and personal visit, aimed principally at establishing a new market contact or source of supply, or at securing factual information concerning the conduct of business in America or Germany. Having opened its newest branch in Düesseldorf just last year now the Chamber has six offices throughout Germany, which are fully equipped to deal with business problems and inquiries concerning their particular area.

Federal Republic a major buyer of U.S. agricultural products

Despite decline in such imports last year, outlook is good for certain raw materials, less favorable for some other items

By PAUL G. MINNEMAN
Agricultural Attache,
U.S. Embassy, Bonn

The Federal Republic is the second or third most important export market for U.S. food and agricultural products—not a surprising situation considering that the population of 60 million people is only about 70% self-sufficient in food supply.

MINNEMAN

Agricultural products account for almost 30% of West Germany's total imports from the United States—a share that has remained nearly constant during recent years. These agricultural imports from the United States are much larger than would be indicated by U.S. data on exports to West Germany, as many of the imports are first shipped from the United States to the Netherlands where they are reloaded onto Rhine river barges for Germany.

Soybeans are by far our most important item, with a value of about $170 million in 1967. Second was leaf tobacco with a value of about $95 million. Feed grain, principally corn, accounted for another $75 million, and oil meal for feed, about $65 million. Wheat added more than $30 million. Together, these products accounted for well over three-fourths of total agricultural imports from the United States in 1967.

Other relatively important items, each with a value of $10 to $20 million, were cotton, poultry meat, rice and canned fruit. Others were variety meats, hides, tallow, flax seed, fresh and dried fruit, juices, dry peas and beans and seeds.

The outlook for U.S. exports to West Germany appears to be reasonably good especially for the raw materials that either are not produced in the EEC, such as soybeans and cotton, or not in sufficient quantity—for example, feed grains, hard wheat, tobacco, oil meal, rice, variety meats, hides, citrus juice, dried peas and lentils.

Less favorable is the outlook for livestock products that are already produced in sufficient or nearly sufficient quantities within the EEC such as dairy products, poultry, eggs, pork, fresh fruit, vegetables, and canned and other prepared foods.

With their limited land area the EEC producers tend to shift toward the more intensive types of production especially livestock products. Dairy and sugar products already are in surplus supply within the EEC and face difficult problems of disposal either through export subsidies or other diversion.

Imports of agricultural products from the United States rose from $450 million in 1960 to a record level of $677 million in 1966. These values are on a c.i.f. basis including ocean freight and insurance which probably added less than 10% to the U.S. f.o.b. value.

In 1967, based on preliminary data, imports from the United States declined 10% to 15%, due to a number of factors. Economic activity rose less in 1967 than in other recent years and imports in general declined. An important factor was the all-time record domestic agricultural production in Germany.

Although the area planted to grain remained almost unchanged, the yields were exceptionally large with the result that grain production was 22% greater than in 1966 or the average of the past 5 years. This discouraged imports not only of grain but of other feed stuffs as well. In addition, certain products encountered difficulties with EEC common agricultural policies.

Imports from EEC

About one-third of all of West Germany's agricultural imports are obtained from its partner Common Market countries. This share has increased steadily since the Common Market started. Another half of all agricultural imports are obtained from third countries other than the United States. These include substantial quantities of tropical and semi-tropical products such as coffee, tea, cacao, bananas, African oil seeds, and substantial quantities of wool and meat from the Southern hemisphere.

As West Germany is such a large net

DEMONSTRATIONS OF FOOD PRODUCTS took place at the U.S. Food Exhibit at the ANUGA Food Fair in Cologne last fall. Although promotion is effective, main need is for competitive pricing of U.S. goods.

AMERICA WEEK WINDOW DISPLAY in a grocery store shows popularity of U.S. goods. Agricultural products account for some 30% of German imports from the United States, despite Common Market levies.

importer of agricultural products it is not surprising that its exports of such items to the United States are relatively small and consist largely of processed products. Exports to the United States amount to only about $45 million—principally beer, wine, chocolate, hops, bristles and other specialty items.

Since July 1962 a system of Common Market minimum import prices and variable levies have been applied on major agricultural imports: first on grain, dairy, poultry eggs, and pork, and gradually extended to most other kinds of agricultural items produced within the EEC. This consists basically of establishing relatively high domestic EEC support prices and collecting import charges in the form of variable levies roughly equal to the difference between the lower world market prices and the higher EEC support prices.

This system of levies and other common agricultural policy regulations now covers about 85% of all agricultural production in the EEC. Levies, however, apply to only about 25% of the imports from the United States. Where they do apply they are very high—the levies on grain imports now amount to 55% to 85% of the c.i.f. import values. Imports from EEC partner countries are free from levies and duties and consequently have a distinct advantage over imports from third countries. Relatively high support prices tend to encourage increased production within the Common Market.

An example is cited of the effect of the EEC levy system on poultry meat, of which imports from the United States rose to $52 million in 1961/62— just before the gate price and variable levy system was introduced. Since then levies and supplementary levies have become so high that imports from the United States have dropped to only about $16 million in 1967. In February the levies amounted to about 44% of the c.i.f. price of broilers and as much as 75% on some other poultry products.

Some levy-free

Many important U.S. agricultural products are not subject to the variable levy system—notably soybeans, oil meal, cotton, and leaf tobacco, although EEC regulations are being prepared for tobacco. These presently levy-free items account for about three-fourths the value of all agricultural imports from the United States. Some of these, notably oil seeds, oil meal, cotton and hides, are also duty free.

Other problems confront U.S. agricultural imports into Germany, such as a new food health regulation that prohibits the use of certain plant protectants. Imports of products containing bleached flour and most stabilizers in prepared foods are prohibited. Imports of meat except in entire carcasses for reinspection in Germany are prohibited. A new regulation in 1967 requires the dating on all retail packages of animal products.

The United States has energetically tried to develop the German market for our products. Promotion during recent years undoubtedly has helped to expand U.S. exports to West Germany and to other countries. In some cases the promotion is keyed to introduce new products and in others to expand or to hold the U.S. share of the market.

Market development programs now cover nearly three-fourths of all our agricultural exports to Germany. They are carried out by organizations of U.S. producers in cooperation with the U.S. Department of Agriculture (under Public Law 480). The U.S. Soybean Council, the U.S. Feed Grains Council, the Institute of American Poultry Industries, and the U.S. Rice Council all have promotion programs supervised through offices in Germany. In addition 13 other U.S. commodity groups have smaller cooperative market development projects in Germany, mostly supervised from offices in the United States.

The type of market development work varies with the nature of the product and the trade channels. For raw materials, for example, soybeans, feed grains, wheat, and cotton, the promotion work is largely with German processors, millers, and spinners. For consumer products such as canned fruit, juice, and poultry meat the promotion is through importers, distributors, and retailers to reach the consumers themselves through advertisement and demonstration.

U.S. food products also are exhibited every year in the large international food trade shows and "in-store" "Amerika Week" promotions. In 1967, U.S. Government and industry representatives exhibited at ANUGA in Cologne, the largest international food fair in the world. In 1968, a similar large U.S. exhibit will be held at IKOFA in Munich, Sept. 21 to 29. "In-store" promotion campaigns were carried out with four large German retail food chains in 1967 and six more are planned for 1968.

Market promotion, however, is not effective unless our products are competitive in price and quality. We must be able to provide a steady supply, of the type of product demanded by the market, and at competitive prices. For some products such as poultry, the high EEC levies make it difficult to land our products at competitive prices. In some other cases, we cannot compete because U.S. supplies for export are short when our crops are small due to drought or freeze.

Berlin's economy sharing in general German upswing from 1967 pause

New Mayor tours U.S. with message that funds are available for investments in Berlin despite U.S. balance of payments plan

By JAMES C. NELSON
Economic Officer,
U.S. Mission, Berlin

Berliners had an economically unimpressive year in 1967. The gross product did not increase, and new investment even declined slightly compared to 1966.

NELSON

Rather than proving that Berlin is in trouble, however, these results demonstrate how completely the economy of Berlin has been integrated into the economic system of the Federal Republic of Germany.

In the boom years of the fifties and early sixties, West Berlin participated in the West German economic miracle. In 1966 and 1967 West Berlin shared in West Germany's recession.

In the closing months of 1967 signs of economic upswing became increasingly evident both in the Federal Republic and in West Berlin. Sales and incoming orders increased and the economy showed more buoyancy than it had for at least a year. Most observers now believe that the German recession has ended and anticipate a new period of slow but steady expansion.

Coinciding with the better economic news of late 1967, a new mayor took office in Berlin. Klaus Schütz immediately made it clear that he was not satisfied to let matters take their own course, and set about developing new programs to stimulate investment and orders for Berlin. He also traveled to France, the United Kingdom and the United States to present the Berlin case to businessmen.

In early January, as the mayor was making final plans for his U.S. visit, President Johnson's new balance of payments program was announced. Schütz, who attended Harvard University and is well acquainted with the American scene, ordered his staff to study the new program in relation to his own efforts to stimulate investment in Berlin.

His first conclusion was that the President's program was necessary and deserved support. However, he also concluded that the restrictions imposed on investors' use of U.S. funds for investment in Europe made Berlin even more attractive as a prospective site for U.S. investment.

He reasoned that because of the relative abundance of low-interest funds locally available for financing investment, and because of special tax relief and rapid depreciation flows which are available under the Berlin Aid Law, American firms could invest in Berlin while fully complying with the letter and spirit of the President's program. This was Mayor Schütz's message to American businessmen during his recent visit.

He hopes that new names will soon be added to the list of 35 American-controlled firms which already have manufacturing plants in Berlin—a list which includes such blue chips as IBM, Gillette, IT&T, General Motors and Kaiser.

Now that West Berlin's economy has begun to move ahead again after a sluggish 1967, the gloomy speculation in the press appears to have ceased.

Developments in West Berlin can only be considered in the context of West Germany. West Berlin is still larger than any city in West Germany and is, incidentally, the third largest city in the entire Common Market area. As the Federal Republic and the EEC grow, Berlin will continue to share in their prosperity.

WEST BERLINERS share in the general West German prosperity, as well as in its recessions. After two slow years, sales and orders are increasing and the economy has regained much of its former bounce.

CAMEROON IS FIRST STOP of U.S. Trade Mission being organized to visit Yaounde and Douala next fall. Above, Bassa railway center workshop, which provides maintenance of rolling stock and training.

Commerce mission to seek markets in Cameroon, Ivory Coast next fall

Department seeks business, industry specialists to serve; both economies agricultural, but industry is developing

Cameroon and the Ivory Coast will be the next targets of an official U.S. Department of Commerce Trade and Investment Mission, scheduled to visit the two countries next fall.

To appraise the opportunities there for U.S. sales and joint ventures, the Mission will spend Oct. 21-Nov. 2 in Cameroon and Nov. 3-16 in the Ivory Coast. The Mission was first announced—in the Sept. 25 issue of INTERNATIONAL COMMERCE—for this spring; but later it was postponed.

To exchange proposals

Composed of five businessmen and two officials of the Department of Commerce, the group will establish Business Information Centers in Yaounde and Abidjan where business proposals can be exchanged between the Mission and local businessmen. All U.S. firms interested in doing business in these two countries are invited to submit proposals, as outlined in the accompanying article.

Busy schedule

Visits to Yaounde and Douala in Cameroon, and Abidjan and Bouake in the Ivory Coast, are scheduled. Meetings with Trade Organizations, Chambers of Commerce, Government offices and plant visits will be arranged. From the discussions and plant visits, the Mission is expected to be better able to appraise the opportunities for—or impediments to—increased trade and joint ventures.

Upon completion of its tour, the Mission will prepare a report for the benefit of U.S. businessmen, to provide interested companies with first hand knowledge of all the trade and investment opportunities which the Mission was able to identify.

The economies of both countries are largely agricultural. Cameroon Government development plans give high priority to agriculture and transportation; many small industries are developing, and particular emphasis is being given to food processing. The Ivory Coast is seeking to diversify its agriculture, and industry is expanding rapidly. Both countries are associate members of the European Economic Community. Both have Investment Guaranty Agreements with the United States, and liberal investment codes.

Qualifications

Businessmen interested in volunteering their services as members of the mission and who can qualify in the areas of specialization described below, are invited to make their availability known to the Bureau of International Commerce, BIC–924, U.S. Department of Commerce, Washington, D.C. 20230, or any Commerce Field Office. A speaking knowledge of the French language is very important.

Insecticides, fertilizers, agricultural chemicals: Knowledge of such agricultural chemicals as phosphate and nitrogenous fertilizers, insecticides and pesticides. Ability to demonstrate the competitiveness of U.S. equipment in the use of chemicals for manufacture of semi-finished products.

Consumer goods: Up-to-date familiarity with the widest ranges of consumer goods usually carried by U.S. department stores and knowledge of competitive advantages and sources of supply. Should be conversant with newest merchandising methods, including sales appeal and customer services.

Industrial and construction machinery and equipment: Experience in a wide range of general industrial machinery including building and construction machinery. Ability to explain competitive advantages of U.S. equipment and to identify U.S. suppliers willing to service and maintain stocks of components and spare parts.

Food processing and refrigeration equipment: Expert in food processing—including canning, dehydration and freezing. Well informed on types of equipment and machinery available from U.S. sources of supply.

Finance: Experienced in private, U.S. Government, international agency and foreign financing facilities, and in general international trade and investment practices; knowledge of terms and conditions governing joint ventures, licensing and other contractual international business agreements.

IVORY COAST, which will be visited by U.S. Mission, has technical center at Gagnoa, for training instructors in woodworking, metal work, masonry. Above, trainee draws housing plans. (UN Photo)

U.S. firms may submit proposals for business in African nations

Aug. 1 is date by which such offers must be received, so that Mission can discuss them in Cameroon, Ivory Coast

U.S. firms with a product or service to sell, those seeking agency or distributor relationships, and those interested in entering into joint ventures, licensing, investments or other business arrangements in Cameroon and/or the Ivory Coast, are invited to submit their proposals to the Commerce Department's Trade Missions Division.

Aug. 1 is the deadline by which proposals are to be received in Washington.

Proposals will be translated into French and printed in summary form, without identification or address, in booklets which will be distributed throughout Cameroon and the Ivory Coast before the Mission's arrival. Quotations should be in metric units where appropriate.

Identification will be revealed only to appropriate foreign firms or individuals after they have consulted with a Mission member regarding a specific proposal.

U.S. firms will be provided with the names of foreign companies expressing definite interest in the proposals, in order that follow-up action may be taken.

Business proposals received by the Trade Missions Division as a result of an earlier invitation, unless canceled by request, will also be taken on this Mission tour.

How to submit

To submit a business proposal, a U.S. firm must provide complete answers to the following questions and send the information in triplicate to the Director of the U.S. Trade and Investment Mission to Cameroon, BIC-926 and the Ivory Coast, Department of Commerce, Washington, D.C. 20230.

► What product or service do you wish to sell or offer?

► Do you wish to appoint an agent or distributor or sell directly to the end-user? Describe the arrangement you desire and indicate whether you will grant exclusive representation in the country or region. The Department will not seek a substitute for an established agent, distributor or representative.

► Are you interested in a joint venture, in a direct investment, or licensing a qualified firm to manufacture your product abroad? Describe your proposition, briefly giving details of products or services to be provided.

► Do you wish to import for your own account or act as a commission agent? Describe the product of interest and the type of arrangement sought.

► What type of firm is best qualified to transact your business?

► Do you wish your proposals published in both countries?

More data needed

This information must be accompanied by the following:

- A concise summary of your proposal in 35 words or less.
- A recent copy of one of the following statements of commercial standing (if filed within the past year, indicate date only): Department of Commerce Form 1A-57, available from your local Commerce Department Field Office; a current mercantile agency report; or a current bank report.
- Pamphlets, brochures or other printed matter such as pricelists and catalogs, up to 50 single sheets.

Companies submitting proposals for the first time are urged to send them in as soon as possible to allow for their clearance before the deadline.

A separate business proposal—answers to questions, plus items just listed—must be provided for each country in which the offer is to be presented, each product category or service offered, and each client firm represented by a combination export manager or manufacturer's agent.

Arizona groups sponsor world trade seminar

Six Arizona groups are sponsoring an international trade seminar in Phoenix on April 10. They are: the College of Business Administration, Arizona State University, the Small Business Administration, the U.S. Department of Commerce, Trans World Airlines and the State Department of Vocational Education. The program is planned for new and prospective exporters and will be held at the Del Webb Townhouse.

Among the speakers will be: John D. Greco of Trans World Airlines; Don W. Fry and Filmore Stanton of the Department of Commerce Phoenix Field Office; A. Presby Colburn of International Metal Products, Phoenix; and Sam L. Everett of DEA Products, Inc., of Tempe.

Asian Development Bank's progress into active operational level has interest for U.S. business

First loan from ordinary capital resources made in January; Bank's projects offer prospects for investors, suppliers

The Board of Governors of the Asian Development Bank scheduled its first annual meeting in Manila Apr. 4-6 to review the organization's progress during 1967. Activity in the first half of the year had been concerned largely with organization. By the second half, however, the Bank was moving along well into operational and financial aspects.

The Bank made its first loan from ordinary capital resources in January of this year. The loan, amounting to the equivalent of US$5 million, was to the Industrial Finance Corporation of Thailand. The funds will be used to finance the foreign exchange components of individual medium and long-term loans to industrial enterprises for specific development projects.

This is one of the ways in which the operations of the ADB are expected to spark the economic development of Asia. The Bank is expected to act as catalyst in this process by using its resources, of both funds and technical assistance, to encourage the growth and expansion of the most vital sectors of the economies of the region, and by helping to mobilize resources for these projects from private sources as well as other international organizations.

Projects offer prospects

Projects generated by and through the Bank therefore offer new prospects and additional opportunities for investors and suppliers of goods and services from outside as well as within the region. American business would do well to follow these developments. The activities and operations of the Bank will be reported regularly in INTERNATIONAL COMMERCE.

The ADB is the product of Asian initiative and represents one of the foremost accomplishments of the United Nations Economic Commission for Asia and the Far East (ECAFE). Headquartered in Manila, the ADB opened for business in December 1966. Membership in the Bank is open to members and associate members of ECAFE and to non-regional developed countries which are members of the UN or any of its specialized agencies.

Membership at 32

At present, membership totals 32, with 19 of the countries in the region holding shares in the ADB. Of the regional members of ECAFE, only Brunei, Burma, Iran, and Mongolia are not members. The Bank has 13 non-regional members, including the United States, Canada, and most of the Western European countries. France and the USSR are the only non-regional ECAFE members which are not members of the Bank. As of Dec. 31, 1967, Switzerland became the 32nd member of the Bank, the only international financial institution to which that country belongs.

Of the $1.1 billion authorized capital, $970 million has been subscribed, $615 million by regional members, including Japan. The United States and Japan, with $200 million each, are the largest subscribers.

Organizationally, the Bank has a Board of Governors, a Board of Directors, a President, a Vice President, and other officers and staff. The Board of Governors is the highest policy-making body. Each member country is represented by one Governor and one Alternate Governor. For the United States, these officials are Henry H. Fowler, Secretary of the Treasury, and William S. Gaud, Administrator of AID.

The responsibility for the general direction of the operations of the Bank rests with the Board of Directors. The board consists of 10 Directors, of which seven represent regional member countries and three represent non-regional members. The United States, Japan, Australia and India are each represented by a Director and Alternate Director. Each of the other six Directors represents a group of member countries. The U.S. Executive Director, a former Treasury official and Alternate U.S. Executive Director at the World Bank, is Bernard Zagorin. The Bank's first President is a distinguished Japanese financial authority, Takeshi Watanabe, and its Vice President is C. S. Krishna Moorthi of India.

The accompanying article was prepared in the Far Eastern Division of the Commerce Department's Bureau of International Commerce.

The Bank has been principally engaged during the past year in the task of setting itself up as a sound financing institution (acquisition of competent personnel, development of operating policies and procedures, etc.) and surveying problems of the developing country members.

According to its Articles of Agreement, the Bank may make or participate in direct loans to "governments of its developing member countries, to any of their agencies, instrumentalities or political subdivisions, and to both public and private entities and enterprises operating within such countries as well as to international or regional agencies or entities concerned with economic development in the region."

It will not finance any undertaking in the territory of a member if that member objects to such financing.

Agriculture has priority

While the Bank has not decided on a system of priorities for specific development sectors and projects, it has assigned a high priority to agricultural development. As one of its first major undertakings, it has recently completed an Asian agricultural survey. It has responded to requests from Indonesia for technical assistance in food production and distribution, and from Korea in agriculture and fisheries development. It is now preparing to undertake a comprehensive regional transport survey at the request of eight Southeast Asian member countries.

As the Bank moves into the phase of active lending operations, successful borrowers of Bank funds (both governmental and private) will be searching for suppliers of a broad range of goods, such as basic materials, fertilizers and pesticides, irrigation pumps, and earthmoving equipment. Borrowers will also be searching for the services of industry consultants and consulting engineers.

The ordinary lending operations of the Bank are financed by its subscribed capital stock. One-half of each member country's subscription to the Bank's capital stock is paid-in capital, payable in five

equal annual installments. The remaining half of each member's subscribed capital stock is callable capital to provide backing for future borrowings by the Bank to finance ordinary lending operations.

Of the paid-in capital stock, 50% is payable in convertible currency and 50% in the currency of the member. The developing country members may restrict the use of the portion paid in their own currencies to payments for goods and services produced and intended for use in their own territory. Otherwise, the ordinary capital funds of the Bank may be used for procurement on a competitive basis of goods and services produced in the territory of any member country. To date the first two installments on paid-in capital stock have been paid (except for Switzerland which has made one payment), totaling about $193 million.

The Bank's lending from ordinary capital will be on conventional terms of repayment and interest, similar to those of the IBRD. The current ADB interest rate on loans from ordinary capital is 6⅞% (plus 1% commission plus a ¾% commitment fee on loan proceeds committed but not yet disbursed).

Loans from ordinary capital will cover the foreign exchange costs of specific development projects. No direct loans are to be provided for financing working capital. Ordinary capital funds may be used for lending to national development banks or other suitable entities (such as the Thai institution referred to earlier) for relending to investors for specific projects which, individually, are not large enough to warrant direct supervision by the Bank.

Special Fund operations

The present stage of development of many countries makes it impossible for them to meet conventional repayment terms, particularly in such crucial areas as agricultural development and infrastructure where no appreciable benefits to a nation's economy may be felt for some time after the initial investment. Accordingly, there is a need for a separate category of lending operations which can take account of these special needs.

Article 19 of the Asian Development Bank's Charter, therefore, permits establishment of Special Funds through (1) the setting aside—by a 2/3 vote of the Board of Governors—of up to 10% of the Bank's unimpaired paid-in capital and (2) the acceptance for administration by the Bank of Special Funds contributed by donor countries. Such Special Funds could be used, subject to the provisions of agreements with donors, to finance high priority development projects on terms which would be easier, both in interest and repayment terms, than those which would apply to loans from the Bank's ordinary capital.

In September 1967, President Johnson proposed that the Congress authorize the appropriation of up to $200 million, to be provided over a four-year period, as the United States' contribution to multilateral Special Funds of the Asian Development Bank for financing regional programs in such areas as agriculture, transportation and communications, Mekong development, and other priority areas. As proposed, the United States' contribution would comprise less than one-half of the total contributions to these multilateral Special Funds by all contributing countries, and it would be "tied" to procurement of U.S. goods and services. This legislation is now pending before both Houses of the Congress.

The Japanese Government has announced its intention to contribute $100 million to Special Funds of the Asian Development Bank, principally for agricultural development, and Canada, the Netherlands and other developed country members have indicated interest in contributing to the Bank's Special Funds.

Guidelines for procurement

The Bank is still formulating its operating policies, including those related to procurement; however, on the basis of statements of Bank officials over a period of time, it appears that the ADB's procurement policies will be similar to guidelines adopted by other international lending institutions. Thus it appears that procurement of goods and services with the Bank's ordinary lending funds will probably be made along the following lines:

► Borrowers normally would use the proceeds of a loan only for procurement in member countries of goods and services produced in member countries.

► For purposes of economy and efficiency, borrowers in most cases would be required to obtain goods and services on a competitive basis from the member countries.

► To the extent possible, all appropriate member countries would be canvassed for potential interested suppliers through transmittal of bid invitations to local official representatives of member countries (the U.S. Embassy in the country concerned would report such opportunities promptly to the Commerce Department for publication in INTERNATIONAL COMMERCE and other more direct dissemination), and through public advertising in recognized media of the borrower's country. For large and important contracts, the Bank would probably require that advertising be placed in well-known technical magazines and trade publications of wide international circulation.

► Individual contracts, whenever feasible, would be of a size large enough to attract reasonable competition in bidding. Turnkey-type contracts would be acceptable in special circumstances, but only as appropriate and called for.

► If particular standards for equipment or materials are cited, requests for bids would also state that goods meeting other authoritative standards, which would assure equal or higher quality than the standards mentioned, would be acceptable.

► Tender documents would usually provide that all bids may be rejected on justifiable grounds and new bids requested.

► Following due consultation between the borrower and the Bank, the award of a contract would be made to the bidder whose bid had been determined to be the lowest evaluated bid and who would meet the appropriate standards of capability and financial responsibility.

► Normally, payment for goods and services procured under Bank loans would be made in the supplying country's currency.

► Regarding consulting firms, it would be the responsibility of the borrower itself to select the firm it is to employ. It is expected that diplomatic missions to the borrower's country usually would be

Commerce asks comments on SE Asia market study

The U.S. Department of Commerce will shortly send a Southeast Asia specialist to Malaysia and Singapore to conduct an on-the-scene survey of the market in these countries for U.S. products and services. Comments are invited from U.S. exporters regarding the nature of the marketing information and problems which might merit special attention during the field research to be undertaken by this specialist.

The study, "Malaysia and Singapore—A Market for U.S. Products," will be published in the market survey series as a supplement to INTERNATIONAL COMMERCE. Write to the Director, Far Eastern Division, Bureau of International Commerce, U.S. Department of Commerce, Washington, D.C. 20230.

in a position to furnish the borrower information as to qualified consulting firms. (Names of U.S. firms would be available at the U.S. Embassy.) While the Bank plans no list of "approved" consulting firms, it is expected to maintain files of information on the capabilities and experience of a number of firms as supplied directly to it, so as to be better able to judge the acceptability of firms chosen or proposed by borrowers.

To forward precis to the Bank, **write:** Asian Development Bank, Commercial Center, P.O. Box 126, Makati, Rizal, Philippines.

Potential catalyst

In addition to the direct financing of projects, an important function of the Bank is generally expected to be its role as a catalyst. Through the overall effect of its operation, the Bank will be interested in inducing a stream of technical and capital resources considerably greater than its own to flow into the region. It is anticipated that the Bank, as a regional institution, will be able first to pinpoint appropriate projects, and then to take the initiative in enlisting other organizations or governments to participate in a particular venture.

The Bank will seek to help maintain a reasonable balance between agricultural, infrastructural, and industrial projects in the region. Also, the Bank is expected to encourage, to the extent possible, the borrower's own financial participation in a project, in addition to encouraging the flow of more national savings and a greater influx of international funds, both from the public and the private sectors, into useful investments.

In line with the existing priorities of many of the countries in the area, the Bank attaches considerable importance to development of the region's agriculture (including fisheries) from the traditional low productivity level to a higher yield status, utilizing to a maximum degree the technology of modern agriculture, in order to meet the immediate imperative of increasing food production to keep abreast of the area's large population growth rate.

This increase in crop production will depend on agri-business for greater availabilities of such items as fertilizers, insecticides and agricultural machinery, as well as equipment to store, process and package end-products to promote wider local use and increase exportability. This emphasis on agricultural development will add to the demand, from foreign suppliers as well as new local manufacturing enterprises, for a wide range of products and services.

Farm equipment suitable for tilling, irrigation, weeding, fertilizing, insect control, and harvesting on small Asian farms, as well as plant machinery and equipment to process and preserve the produce of farms and of inland and ocean waters, will be needed for programs of agricultural development. Many services will also be required to supply the needed training and technology in such fields as production, transport, and marketing.

As Asia continues to advance and implement the concept of regional cooperation, and makes progress in removing existing national barriers to such a goal, region-wide or sub-regional industrial projects are expected to become increasingly vital and meaningful in the region's economic development.

Such projects should provide additional opportunities for U.S. business to expand their operations and activities in this region which holds so much potential for economic growth and expansion.

Korean satellite station to be aided by Eximbank loan

The Export-Import Bank has authorized a $3,680,000 loan to the Republic of Korea to assist in financing purchases of United States equipment and related services needed in building and equipping a satellite communications receiving and transmitting station to be completed in March of 1970.

The total dollar costs of the new station will be $4.6 million. Under the terms of the Eximbank credit, the Republic of Korea will pay 10% of the dollar costs in cash, and the U. S. supplier, still to be selected by the Korean Ministry of Communications, will participate in the financing of American equipment to the extent of 10%. Local currency costs, amounting to $840,000 equivalent, will be provided by the Korean Government.

Equipment to be financed with the Eximbank credit includes antenna facilities, electrical and test equipment, a microwave link, as well as such related services as engineering studies, installation, operation and maintenance, and ocean freight on U. S. ships.

The new credit is Eximbank's fourth to finance satellite ground stations. Earlier such credits financed ground stations in Chile, Brazil, and Thailand.

Colorado mission to promote exports at exhibit in Tokyo

Group will attend American Food Fair where State has display

A trade mission organized by the Colorado State Department of Agriculture is scheduled to be in Tokyo attending a Japanese-American Agricultural Exhibit on Harumi Pier, Apr. 8-21.

The mission, Colorado's first, will be looking for new markets for State-grown commodities and will be trying to negotiate a joint venture for the establishment of an improved beef breeding program in Japan. The participants also will begin exploratory talks for developing several beef breeding centers and furnishing the necessary consultation service in technical and financial management. The mission plans to talk with the Japanese Ministry of Agriculture, and with importers, food brokers and purveyors, and trade and import agency officials.

The American Food Fair, sponsored by the U.S. Department of Agriculture, is expected to attract thousands of Japanese consumers. Colorado will be one of 12 States participating. At its booth in the Hall of States, Mary Lou Chapman, a mission member and home economist for the Colorado Wheat Administrative Committee, will prepare and distribute cookies to dramatize the quality of Colorado wheat. The Colorado Carnation industry will supply sample carnations. The Colorado Beef Board will send beef for display.

Japan is Colorado's best overseas market, importing significant quantities of hides and tallow, hard red winter wheat, and beef breeding animals, according to the State Department of Agriculture. "It is our belief," said Colorado Agriculture Commissioner John Orcutt, the mission director, "that the booming Japanese market with its increasingly affluent consumers, represents a strong potential for other Colorado agricultural products including beef, carnations, pasture seeds, broom corn, millet and pinto beans."

Wilbur Rogers, also of the State Department of Agriculture, will be a mission participant. Other members will be James King, president, Standard Precision Electronics, and Seiji Horiuchi, farm and ranch management consultant, Denver.

The mission has U.S. Department of Commerce approval.

'E' awarded to Filmco International, maker of plastic packaging film

Ceremony at Cleveland World Trade Conference honored rapid export expansion of company founded four years ago

Filmco International Inc., of Aurora, O., has packaged its way to the President's "E" award for export expansion, presented at the Cleveland World Trade Conference.

Filmco, which manufacturers a plastic packaging material for produce and meats, has increased exports through use of market research, foreign language advertising, a worldwide distributor network and adaptation of products to meet specific customer needs.

Filmco International is the exporting subsidiary of Filmco, Inc., which is in turn a subsidiary of the R.J. Reynolds Tobacco Co. of Winston-Salem, N.C. Filmco, Inc. was founded in 1964, began exporting in 1965, and established Filmco International in 1966. Since that time export sales have risen to nearly 20% of total sales.

Soon after its inception, Filmco began working to enter international trade. Company executives traveled overseas attending trade exhibitions and contacting trade associations and foreign chambers of commerce.

Through contact with the Cleveland Commerce Field Office, Filmco made use of Trade Contact Surveys, World Trade Directory Reports, Trade Lists, and other Department of Commerce services.

In late 1965 Filmco hired an executive experienced in exporting to obtain new distributors, set up new sales territories and conduct market research studies. Filmco now has eight marketing representatives living in foreign countries.

Filmco participated in the U.S. exhibit in conjunction with the 17e Salon International de l'Emballage held in Paris in Nov. 1966. Three Filmco marketing representatives were present at its exhibit, to talk with potential distributors.

Filmco has handled packaging problems by developing special cartons and by labeling export products in metric dimensions and weights, when applicable.

Filmco has developed specially formulated films for export to countries with a large amount of centralized packaging, using automatic and semi-automatic wrapping equipment.

Filmco provides its distributors with promotional material and brochures in French and German, as well as English. The company also pays a portion of the distributor's advertising campaigns.

FILMCO'S 'E' AWARD WAS PRESENTED by Jan. B. Verschuur (c.), chairman, President's 'E' Committee, Dept. of Commerce, to Paul J. Vaughan (l.), Filmco president, and Gerald L. Fox (r.), gen. mgr.

Cleveland echoes to quota debates at trade meeting

Cleveland echoed to sharp phrases opposing and urging import quotas at its annual World Trade Conference.

Tw of the major speakers, one representing the U.S. Government and the other a European nation, used precisely the same words —"beggar-thy-neighbor policies"—in warning against the quotas.

But from the area's steel producers came equally vigorous warnings about the import threat to the U.S. industry when "with an average pre-tax profit of $17 a ton or less, it is obviously impossible to meet a price differential averaging $40 per ton without going bankrupt."

John Evans, of the Office of the Special Representative for Trade Negotiations, appeared at the Cleveland meeting the day after the Senate approved a textile import quota measure, and said of the action:

"You may be sure that the other quota-seeking groups will not sit idly by. If one industry wins this special privilege from government, they will argue, why shouldn't they?"

Evans commented: "The quotas we impose would inevitably breed countermeasures by other nations. Efficient American industries which thrive upon their access to world markets would be the first to be hit by foreign retaliation. An export-surplus nation like the United States simply cannot afford to precipitate a downward spiral of world trade."

Danish Ambassador to the U.S. Torben Ronne referred to the quota issue throughout his talk, and said: "Denmark, the United Kingdom and other EFTA countries have . . . declared ourselves ready to accelerate the implementing of Kennedy Round concessions on certain conditions. These conditions are, among others, that the Common Market and Japan do so too and—the true purpose of the offer—that the U.S. refrain from introducing trade-restrictive measures."

Ambassador Ronne also told the March 28 meeting of the importance of regional economic integration. He said: "As long as free Europe is split into two groups of integrated markets we live in a halfway house. Not only does this split lead to serious distortions of the traditional inter-European trade pattern—and my country feels this very much—but the Atlantic idea in its broadest sense is not achieved."

Export loan plan liberalized by Eximbank

Discount loan changes aimed at commercial banks

The Export-Import Bank of the United States has announced changes in its Eximbank Discount Loan program to further stimulate U.S. exports. The changes were announced before the annual convention of the Bankers' Association for Foreign Trade.

The changes implement President Johnson's announcement in his Jan. 1 statement on the U.S. balance of payments that Eximbank would liberalize the program to encourage expanded commercial bank financing of exports.

Eximbank established its Discount program in 1966. At that time, provision was made for two types of Discount loans. A "Current Discount Loan" is a loan made by Eximbank to a commercial bank based on the bank's holdings of certain export debt obligations for exports made after Mar. 1, 1966. A "Net Increase Loan," available since Sept. 1, 1967, is a loan made by Eximbank to a commercial bank based on the increase in export obligations held by that bank, compared with its export portfolio on Sept. 1, 1966 —one year earlier.

Among the significant new changes is a lowering by Eximbank of the basic interest rate charged on Net Increase Loans. Previously, the rate was the lower of either the cost of money to Eximbank in the market or Eximbank's standard interest rate on loans to overseas borrowers. In effect, this meant in recent months a rate of 6% per annum.

The new rates, established from time to time by Treasury and Eximbank, initially will be 5⅛% for final maturities of the underlying paper of 12 to 30 months inclusive, 5¼% for 31 to 48 months, and 5⅜% for maturities exceeding 48 months. The actual rate charged will vary with the original term of the underlying export obligation held by the commercial bank, with shorter term paper carrying a lower rate.

Another important change is in the term of Eximbank's Discount loans of both types. Previously the term was a maximum of one year. After consultation with banks, Eximbank has determined that the term may now be as long as the remaining term of the underlying export obligations against which the Discount loan is made. Where there is more than one underlying obligation, the term of Eximbank's loan will be a maximum of the average remaining terms, weighted for dollar size of these obligations.

To meet the desire of some commercial banks seeking Discount loans, Eximbank is now prepared to consider purchasing, rather than lending against, relatively large export debt obligations. Any such purchase by Eximbank will be made with recourse to the commercial bank.

Primarily for the benefit of smaller banks which may not hold unguaranteed or uninsured export obligations in their portfolios, the first $250,000 of export obligations guaranteed by Eximbank or insured by the Foreign Credit Insurance Association under the standard Eximbank/FCIA exporter credit programs will be given the most favorable interest rate applicable to unguaranteed and uninsured paper. Discount loans against export obligations in excess of $250,000 which are covered under the standard exporter credit guarantee or insurance programs are subject to an interest rate one half of one percent below the rate carried by the obligations.

The base for measuring the amount of eligible export obligations in applying for Net Increase Loans is the average of a commercial bank's holdings at the end of each month of 1967 of export paper having an original maturity of at least one year. Net Increase Loans will now be made against eligible obligations held by a commercial bank on Jan. 1, 1968, or arising from exports shipped on or after that date.

In announcing these changes in its Discount Program, Eximbank indicated it expected additional commercial banks to participate in the program. The Bank has only one purpose in making these facilities available to the commercial banking community and that is to provide a further incentive to the commercial banks to the end that they in turn will stimulate export activity and provide the financing therefor.

Details of how to apply for Discount Loans under the new rules are being sent to commercial banks.

Argentine steel plant modernization being aided by new credit

A $33.7 million Alliance for Progress credit to finance United States purchases of equipment and services needed to modernize finishing facilities at the San Nicolas plant of Argentina's largest intergrated steel producer has been announced by the Export-Import Bank.

The project, to be completed in 1970 at a total cost of $54.3 million, will enable the producer, Somisa, to produce higher quality products for Argentina's domestic market. While the project consists primarily of improvements in Somisa's present rolling mills, it also includes a sinter plant and additional electric power facilities. The project has been approved by Armco International of Middletown, O., the company's technical adviser since 1948.

This is Eximbank's fourth credit for Somisa. Three earlier credits aggregating $82 million and authorized in 1955, 1960 and 1965 helped finance Somisa's purchases of $122 million of U.S. capital goods and related materials and services.

U.S. investment accord with Ethiopia expanded

An exchange of notes between the Governments of the United States and Ethiopia has made it possible for U.S. private investors to obtain AID Investment Guaranty coverage for losses due to war, revolution, and insurrection as well as extended risks when investing in Ethiopia.

The new amendment will supplement coverage for inconvertibility of local currency and expropriation available under the original Investment Guaranty Agreement concluded in 1962 and is one of a growing list of incentives and guarantees offered to attract foreign investors to Ethiopia.

Prospective investors interested in obtaining guaranty coverage for ventures in Ethiopia or one of 82 other participant developing nations may direct inquiries to the Investment Guaranties Division, Agency for International Development, Washington, D.C. 20523.

Foreign Government Actions

Peru revises controls for mining industry

Article 56 revised to draw capital into low-grade ore mining

Peru has revised the important Article 56 of its Mining Code, which provides incentives for investment in the mining industry.

Major provisions of the new article are:

► The Peruvian Government may execute special agreements for mining and metallurgical operations with concessionaires, upon request;

► Applications, accompanied by complete technical economic reports including the investment plan, must be submitted to the Peruvian Bureau of Mines and the Ministry of Finance and Commerce;

► Contracts shall be authorized by means of a Supreme Decree with the approving vote of the Council of Ministers and with advice to Congress;

► Concessionaires have the rights and advantages granted by the article during the period required to recover investment, (normally 10 years from the date production begins but up to 20 years in special cases);

► Once the investment is recovered, during an additional period of six years, the concessionaire shall enjoy tax stability by paying the maximum rate of the taxes in effect at the date of the signing of the contract;

► The foreign companies are guaranteed freedom to dispose of foreign currency for the payment of the capital invested, interest, profits and for payment of services in the country and abroad, as may be justified;

► Companies may invest upon expiration of the contract, for a period not to exceed five years, up to 50% of the net profits of each fiscal period, free of all general, special or local taxes for the establishment of refining and/or transformation plants for metallurgical products.

The new incentives of Article 56 are intended to attract capital for the development of mining projects to exploit low-grade ores, requiring investments which would be recouped slowly due to higher cost factors.

Among the major projects, which may call for investments exceeding $100 million and which may be favorably affected by Article 56, are: The Cajone and Guellaveco copper mines of the Southern Peru Copper Corp., the Cerro Verde Copper mine of the Anaconda Co., the Michiquillay mine of American Smelting and Refining Co., the Antamina Copper mine of Cerro de Pasco, and the phosphate and potash deposits of Minera Bayovar (Kaiser Aluminum and Chemical Corp.).

The Government is expected to issue regulations for implementation of the article within 60 days of its promulgation on Feb. 26.

Copies of the full text of Article 56 in English or Spanish may be obtained from the American Republics Division, Dept. of Commerce, Washington, D.C. 20230.

Spain modifies requirements for goods transshipped via third countries

The Spanish Directorate of Customs recently amended documentation requirements in effect since Sept. 1, 1967 (See INTERNATIONAL COMMERCE, Dec. 18, 1967) for goods transiting a third country prior to entering Spain.

Henceforth, certificates of origin may be prepared in the third country, on the basis of other documents accompanying the shipment, by Spanish Chambers of Commerce, Commercial Offices or career Consular officers. The Director General of Customs may also empower a foreign authority to issue certificates of origin when none of the above-mentioned offices exist.

The Order also provides that certificates of origin are waived for shipments valued at less than 10,000 pesetas ($143), crude petroleum and radioactive isotopes imported by the Nuclear Energy Board.

This Order was published in the State Gazette of Mar. 5 and became effective on that date.

Iceland joins GATT

On April 21 Iceland will become a full member of the General Agreement on Tariffs and Trade. This effective date is 30 days after the ratification, which took place on March 22.

With the accession of Iceland, GATT has 76 contracting parties and 11 other countries in various forms of membership or association.

Quality certificates required by Pakistan for steel products

The Government of Pakistan has notified importers of iron and steel that future shipments from the United States must be covered by a producer's certificate attesting that the product conforms to specifications set by one of the following organizations: The American Society for Testing Materials; Society of Automotive Engineers; American Iron and Steel Institute; American Society of Mechanical Engineers; Lloyds Register of Shipping; American Bureau of Shipping; American Petroleum Institute; American Association of Railroads; or the American Engineering Association.

The quality certificate is required in addition to the producing mill (testing) certificate and the producer's packing list. Importers have been directed to include the above conditions in Letters of Credit.

The Office of the Collector of Customs has the responsibility for determining that imported steel complies with specifications. Pakistani Customs officials have also stated that they will require stamped heat code numbers as proof that products match appropriate original certificates (copies are not acceptable).

Australia considers tariff revision for gas cylinders

On Mar. 4 the Australian Minister for Trade and Industry referred to the Tariff Board for study the question of possible assistance to Australian producers of compressed gas cylinders and similar pressure containers of iron or steel falling within tariff item 73.24. The Tariff Board's report, if favorable, must indicate the nature and extent of the assistance to be provided.

Imports under tariff items 73.24 during fiscal year 1966-67 amounted to $1,425,841, of which the United States accounted for $265,764.

Interested suppliers, who may wish to submit evidence and file briefs with the Tariff Board, may want to review the Australian Tariff Board procedures which were outlined in the Aug. 28, 1967 issue of INTERNATIONAL COMMERCE.

Indonesia clarifies exploration rights for mineral mining

$50,000 bond required by firms signing an exploration agreement

Late in 1967, Indonesia's Minister of Mines issued a general invitation to foreign and domestic mining operators to bid for exploration rights in fifty-three 11,000 square kilometer blocks situated throughout the area. In exchange for exclusive exploration rights for one or more of these areas, the operator is required, under the Ministry's plan, to submit to the Indonesian Government at the end of the two year exploration period a 250-000:1 scale geological map of all blocks for which rights are granted.

The Ministry further states that companies wishing to have "a look" around the unallocated block areas, may do so before undertaking the full obligation of the agreement but with the understanding that the Government will not be obligated to grant exclusive exploration rights until the company contracts for one or more of the blocks.

When a company submits an application for exclusive exploration and development rights for any of the 53 blocks, the Ministry will take 90 days to consider it. During this 90 day period, the Government will continue to accept applications on the same areas from other companies that file. All applications submitted within this period will be weighed by the Committee of Foreign Investments in the Ministry Sector which will negotiate a contract with the company making the best offer.

Further clarifying the general procedures, the Mining Ministry announced the requirement of a $50,000 performance bond for each company signing an exploration agreement, 50% of which will be refunded with the submittal of four consecutive quarterly progress reports that satisfies the judgment of the Mining Ministry. The remaining 50% of the bond will be refunded upon submission of a 250,000:1 scale geological map. Failure to fulfill the terms of the agreements is sufficient grounds for forfeiture of the bond.

For additional information, write Ministry of Mines, Committee for Foreign Investment in Mining, Djular Menteng Raya, 3 Djakarta, Indonesia.

Two French producers look for license agreements

Two French companies seek licenses to manufacture electronic equipment, reed and static relays.

- Licenses to produce electronic equipment used in connection with drilling machinery for the mining and petroleum industries, electronic devices for elevators and buckets, and remote control electronic equipment are sought by a Paris firm.

The French company manufactures liquid level gauges and imports drilling equipment for the mining industry and oil field machinery.

Write: Lindqvist & Cit, 32 Avenue de l'Opera, Paris, France. WTD.

- A manufacturer of semi-conductors seeks a license to produce reed and static relays. The firm is a subsidiary of a large French concern.

Write: COGIE (Compagnie Industrielle pour la Transformation de l'Energie) 3-4 Boulevard Anatole France, 93 Aubervilliers, France. WTD.

Guyanan seeks cattle venture

The son of a successful cattle rancher in the interior of Guyana seeks U.S. joint venture to carry on plans formulated by his late father for expanding operations into Surinam.

The family has operated a cattle ranch venture in Guyana for the past three years, shipping 40,000 lbs. of beef weekly to the Guyana domestic market and the Caribbean which represents about half of the Guyana total production. Land concessions have been obtained from the Government of Surinam at Sepalwini in the south of the country bordering Brazil. Permission to ship supplies in and out in his own aircraft has also been granted and some breeding stock has already been flown into Surinam. He expects to supply the domestic market in Surinam now largely serviced by imports, and eventually, will expand by exporting to the Caribbean.

Interested parties should **write:** Mr. David Myers, 29 Dadanawa Street, Campbell, Georgetown, Guyana.★

Australian firm seeks U.S. license

A large Sydney based air conditioning firm seeks to expand its production through licensing arrangements with U.S. manufacturers of related products. Of particular interest are such products as: Water pumps (5-1,000 gpm), cooling towers, air outlets, boilers (60,000-2,000,000 BTU), sound attenuators, air valves, mixing boxes, induction boxes, calorifiers, volume control dampers, fire dampers, module switch cabinets and assemblies.

The Australian firm's modern and well equipped manufacturing facilities are well supported by departments of production engineering, quality control, tool design, and design and technical services.

Write: Carrier Air Conditioning Pty, Ltd., Seven Hills Road, Seven Hills N.S.W. 2147, Australia. WTD.

Investment Assistance

The licensing and joint-venture proposals listed in this section are published as an informational service for U.S. firms interested in overseas affiliations. Companies responding to these opportunities should be cognizant of the present mandatory investment regulations published in the Federal Register for Jan. 3, as amended.

To receive follow up assistance and general information about investment abroad telephone: 202-967-3786 or write: Office of International Investment, Department of Commerce (BIC-878), Washington, D.C. 20230. A (*) following the name of the foreign firm indicates that additional information is available from the above address.

WTD indicates that a World Trade Directory Report containing financial and business background information on the foreign firm is available for $2 from the Department of Commerce (BIC-924), Washington, D.C. 20230 or the nearest Department of Commerce Field Office.

Thailand has new investor's incentives for entreprenuers

Reports cite needs for coffee, ceramic sanitary ware

The Government of Thailand recently published two reports likely to interest U.S. firms contemplating investing in Thailand.

Ceramic sanitary ware

The 64-page report titled *Ceramic Sanitary Ware, An Investment Opportunity in Thailand,* brings out the fact that Thailand's needs for these items are presently satisfied by imports, and that the boom in new building construction is stimulating the demand and expanding the market for ceramic ware.

This investment opportunity study is one of a series undertaken by the Board of Investment as part of its program to promote and assist investments in Thailand.

The report provides information about the market for ceramic sanitary ware in Thailand and its neighboring countries; the availability and cost of raw materials and other data about labor and costs of operation in Thailand. It also includes a comprehensive 13 page summary of the Thai economy and investment climate.

Although the report in itself is not a feasibility study, it is hoped its contents will generate sufficient interest to encourage an investor to undertake his own research.

Soluble coffee

Another 54-page report titled *Soluble Coffee Investment Opportunity in Thailand,* has been prepared to attract potential investors to undertake the necessary steps for preparing a feasibility study for producing soluble coffee in Thailand.

Reportedly, up-to-now, the Thai market has been satisfied entirely by imports; but, with imports increasing at a rate of 20% annually it is estimated that consumption will reach 212 metric tons by 1970.

Copies of the above reports may be obtained from the Board of Investment, Mansion 2, Rajdamnern Avenue, Bangkok 2, Thailand.

Brazilian company seeks agricultural machinery

A Belo Horizonte trading company seeks some form of joint venture between its clients and a U.S. manufacturer of agricultural equipment.

The Brazilian firm is interested in the importation of farm machinery for use on farms in the State of Minas Gerais since, farmers in the area lack modern machinery and technology.

Write: Incomex Ltda, Rua Curitiba 778, P.O. Box 1763, Belo Horizonte, Brazil. Attention: Jose Araujo Nobre, WTD.

U.S. partner sought by Indonesian fishery

A well-established Indonesian commercial fishery seeks a joint venture with a U.S. firm in the fishing industry.

Equipped with canning facilities and substantial financial resources, the Djakarta firm is interested in a U.S. partner with established channels of distribution and modern technology.

Write: P. T. Tjanora Harapan, Dje Indramaju No. 16, Djakarta, Indonesia.

Dutch firm wants license for electronic equipment

The Dutch subsidiary of a U.S. firm equipped for all types of electronic assembly seeks a license to manufacture electronic and electro-technical aviation and industrial equipment.

The Amsterdam firm presently produces electronic components and aviation instruments.

Firms wishing additional information should **write:** Simmonds Precision N.V., 183 Van Hallstraat, Amsterdam, The Netherlands, Attention: Mr. G. R. van Dis.

Agricultural industrialist seeks U.S. collaboration

An agricultural industrialist in Ceylon seeks joint venture with a U.S. firm to utilize banana trees in the manufacture of food and industrial products such as gunny bags, Hessian, fertilizer, and Manila rope.

Write: W. Abeyakoon, Agricultural Industrialist, 104, Sri Vipulansena Mawatha, Colombo 10, Ceylon.

Two Thai firms seek know-how exchange for iron ore, marble

Two Thai firms seek arrangements with U.S. firms, one to produce pig iron and steel bars, the other to expand facilities for production of marble.

- A Bangkok mining firm seeks collaborative arrangements with a U.S. firm having established distribution channels for iron ore.

The firm is also interested in establishing a plant in Thailand for the production of pig iron and steel bars.

Write: Takli Mining Co., Ltd., 99 Thai Niyom Bldg., Rajadamnern Ave., Bangkok, Thailand.

- A Thai firm engaged in the production of marble for construction and decorative purposes seeks to expand its operations through collaborative arrangements with a U.S. firm.

Owners of large marble deposits, the Bangkok firm would expect the U.S. partner to contribute financial assistance and technology.

Firms contemplating investment in Thailand and interested in obtaining further details should **write:** The Thai Marble Corp., Ltd., 146-152 Rama I Road. Bangkok, Thailand.

Collaborative arrangements sought by Indian firm for construction of hotels

Collaborative arrangements are sought by an Indian exporter/importer for the establishment of two hotels in India.

The proposal calls for one hotel to be constructed in the Worli area of Bombay and the other in Aurangabad, a tourist center over 250 miles from Bombay.

The estimated cost of the project is about $1,066,400. The U.S. partner is asked to contribute 20% of the initial cost and management expertise.

Firms interested in investing in India and wishing additional information should **write:** M. Gulrajuni & Co., P.O. Box 405, 241 Frere Road, Bombay 1, India. Attention: Mr. Moti R. Gulrajani.★

Prequalifications invited for construction of railway facilities in Yugoslavia

The Railway Transport Enterprise of Titograd has announced that international competitive bidding will be held for the construction of three separate subsections of the Belgrade-Bar railway line. The subsections total 21.8 km. (13.1 mi.) and will include construction of access roads, tunnels, bridges and viaducts. All three subsections are along the Mojkovac-Titograd section in Montenegro.

Firms wishing to be included in the list of prospective international bidders must submit their qualifications not later than Apr. 17, to the Railway Transport Enterprise Titograd, Department for the Development of the Belgrade-Bar railway, Cemovsko Polje, Titograd, Yugoslavia. Bids are to be submitted separately for each of the three subsections.

Firms may obtain from the above office a copy of "Preliminary information and instructions for prequalification for construction of the Trebaljevo and Kolasin subsections on the Mojkovac-Matesevo section, and the Bioce subsection on the Matesevo-Titograd Section of the Belgrade-Bar Railway Line," which gives a full description of the required documentation, together with detailed maps and specifications of the requirements. One copy of these documents is available for office review in Room 4014, U.S. Department of Commerce, Washington, D.C. 20230. Telephone: 202-967-3602.

Bolivian firm wants supplier for wide range of items

A Bolivian firm, Case el Gran Poder de Zogbi e Hijos Ltda., wishes to find a single supplier for its wide range of commodities.

Merchandise desired includes tapestry fabrics, floor carpets, tablecloths, folding metal tables, plastic tableware, china tableware, pottery and related products, and toys, amusement, sporting and athletic goods. Requests replies in Spanish. Casa el Gran Poder de Zogbi e Hijos Ltda., Calle Comercio 902, Casilla 1807, La Paz. WTD 2/68.

Australia to construct new coal handling plant

The Electricity Commission of New South Wales, Box 5257, G.P.O., Sydney, N.S.W., Australia, 2001, has issued Tender No. 1929, for the design, supply and erection of a coal handling plant to convey coal from two points at a nearby mine to a receiving bin at the Liddell Power Station.

Equipment required includes 3 bins of 5,000, 2,000 and 600 long tons capacity; conveyor belting to transfer coal at 600 long tons per hour for about 2½ miles; design and supply of all civil works including bin, bin foundations; river, road and railway crossings. The bid deadline is June 11.

A copy of the specifications is available on short-term loan, to firms domiciled in the United States, from the GIEC Division, BDSA-588, Department of Commerce, Washington, D.C. 20230. Telephone: 202 WO 7-5585.

Turkey seeks prequalification bids for two NATO projects

The PTT General Directorate, NATO Department, Anicara, Turkey, has issued prequalification bids for the supply and installation on two forthcoming projects.

One project involves VHF Radio-Link and multiplex equipments with a deadline of May 3, for the prequalification information, and the other project encompasses microwave link, multiplex, HF SSB and diesel generator equipment with a prequalification deadline of Apr. 26.

Copies of prequalification forms are available to NATO qualified bidders, only, from the Electronics Division, BDSA-658, Room 4125, U.S. Department of Commerce, Washington, D.C. 20230. Telephone: Code 202-967-4038.

India invites bids for rectifiers

Bids are invited by the India Supply Mission, 2536 Massachusetts Ave., N.W., Washington, D.C. 20008 for 200 Nos. of Silicon Controlled Rectifiers 150 RC 50 or equivalent required by National Aeronautical Laboratory, Bangalore, India.

Tender papers can be obtained on request from the above office quoting reference Tender No. B-1449/AID. There is no charge for the Tender set.

Purchase against this tender inquiry will be made under AID Loan No. 168 and is therefore restricted to material of U.S. origin only. Bid deadline is Friday, May 3 at 11:00 a.m. Bids will be opened on the same day, May 3 at 2:30 p.m.

S. Africa extends bid deadline, changes made in specifications

Copies of amendments to the standard specifications for steel and prestressed concrete pipes and specials in connection with the Voelvlei Reservoir pipeline project (see INTERNATIONAL COMMERCE, Mar. 25, p. 33) are available from the Building Materials and Construction Industries Division, BDSA-564, Room 4014, U.S. Department of Commerce, Washington, D.C. 20230. Telephone: 202-967-3602.

The project bid deadline has been further extended from Apr. 5, to May 17.

Iraqi bid documents available

Contract documents and instructions concerning bidding on the construction of Berths Nos. 12, 13, and 14 at Maqal-Basrah, Iraq (see INTERNATIONAL COMMERCE, Mar. 25, p. 38) may be inspected also at the Iraqi Embassies in New Delhi, Berne, Brussels, and London, and the Iraqi Interest Section of the Embassy of India, Washington, D.C.

Iran plans to modernize national postal system

The Government of Iran has announced a $2 million modernization of the National postal system. Tenders for the new program should be made public in about three months.

To insure that all components of the planned new mail handling system match, the tenders may be divided into three basic categories. The first will cover handling, coding and sorting machinery for letters; a second will cover similar machinery for parcel post; and the last group will include conveyor belts and chains and associated handling equipment. It is hoped that one company or group of companies will bid to provide the entire system in each category, but that no one country will supply all three categories.

Each bidder will be required to make credit terms an integral part of his bid. At present, the Iranian Ministry of Post, Telephone and Telegraph is seeking "liberal" credit terms such as ten years to pay and no money down.

U.S. firms interested in offering their services or receiving information in advance of tender issuance may **write:** Mr. Ghodratollah Rahmani, Deputy Minister, Ministry of Post, Telephone and Telegraph, Shemiran Road, Tehran, Iran.

Late Leads—Information received too late to be of value to bidders is published because many readers will find it of value in follow-up campaigns to sell complementary products and subisidiary services. Sometimes a cable to an agent on the scene will result in tie-in sales.

Congo announces bids for prefabricated hotel

The High Commission for Tourism of the Democratic Republic of the Congo has issued an immediate call for bids for a prefabricated hotel of 70 or 100 rooms to be used as a hotel training school. While there is no bid deadline, bids should be submitted as soon as possible as the Ministry will probably let a contract within the next two months.

The basic plan calls for a ground floor composed of restaurant, coffee shop, banquet hall, bar and kitchen, constructed in a Y-shape, with a second story for the 70 rooms. It should be possible to add a third story for another 30 rooms at a future date should the school decide expansion is desirable. Only the broadest outlines of the project are set and individual detailed specifications should be drawn up by the bidder himself.

No estimates of cost have been given nor any technical requirements for the type of construction.

Interested bidders may obtain further details from "Ecole Hoteliere," Ministry of Tourism, Cabinet of the Minister, Kinshasa, Democratic Republic of the Congo.

World Trade Opportunities Continued to page 51

The firms and individuals in the following lists are interested in trade relations with U.S. businessmen. The commodities in which they have expressed interest are indicated by the numbers preceding the commodity classification. These numbers refer to the Standard Industrial Classification (SIC) Manual, which is available for $2.50 a copy from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Every effort is made to include only firms or individuals with good reputations. However, the Department of Commerce cannot be responsible for any trade relations.

The listing in INTERNATIONAL COMMERCE of opportunities to trade in specific commodities and technical data does not necessarily imply approval of their export by the U.S. Department of Commerce pursuant to the U.S. Export Control Act. For applicable export licensing regulations and policies, see the Comprehensive Export Schedule or consult the Bureau of International Commerce's Office of Export Control or any Department of Commerce Field Office.

- indicates that the trade opportunity represents a request for bids by a foreign government agency. A (★) following indicates that additional information may be borrowed by firms located in the U.S. from the Business and Defense Services Administration (BDSA), U.S. Department of Commerce, Washington, D.C. 20230; telephone numbers indicated. To avoid delay, requests for loan material should specify country and commodity.

★★ indicates opportunities obtained by U.S. trade missions to other countries. A (★) following these indicates that additional information may be obtained by writing the Trade Opportunities Staff, BDSA-624, U.S. Department of Commerce, Washington, D.C. 20230. The TM (trade mission) number is requested in correspondence. Requests for loan material should specify country and TM number.

WTD indicates that a World Trade Directory report is available on the foreign firm for which the trade opportunity is listed. These reports, indicating type of organization, sales territory, size of business, sales volume, trade and financial reputation, and other factors, are available for $2 each from the Bureau of International Commerce, BIC-924, U.S. Department of Commerce, Rm. 6059. Telephone: 202-967-4203. The date following the letters WTD refers to the date of issuance of the report. If WTD is in preparation, action will be completed on a priority basis upon receipt of request specifically identifying the trade opportunity involved.

Sales Leads for Exporters

Listed below are companies interested in buying U.S. products. Direct purchases are wanted unless a desire for an agency agreement is expressed.

011 Field crop farms

MOROCCO—Raw cotton, Orleans/Texas quality. Direct purchase and agency. Requests replies in French. Georges Treger (agent), B. P. 191, Fes. WTD 3/68.

012 Fruit, tree nut, vegetable farms

VENEZUELA—Fruits, fresh. Agency for Caracas, western, eastern states. Marurca, S.A. (sales agent), Edificio Hoel Perez, Oficina N° 3, Calle 500, Quinta Crespo, Caracas. or: Apartado 10437 (Sabana Grande), Caracas. WTD 3/68.

019 Miscellaneous agriculture

FRANCE—Seeds: flower, vegetable. Direct purchase and agency. Denis Bugliani (grower, manufacturer), 58 cours Sextius, 13 Aix-en-Provence. WTD 3/68.

201 Meat products

PORTUGAL—Frozen cattle meat, edible entrails. Direct purchase and agency. Sociedade Zickermann, S.A.R.L. (importer, exporter, sales agent), Apartado 2115, Lisbon 2. WTD 1/68.

203 Canning, preserving foods

GERMANY—Canned and/or frozen fruits, fruit juices, vegetables, sea food including crabmeat, shrimp, salmon, lobster, specialties incl. packaged meals, cakes, puddings, sauces, salad dressings, sandwich spreads; dried nuts; other grocery specialties. Offers c.i.f. German seaport preferred. Ritoni-Import GmbH (importer, wholesaler), 36 Stolzenauerstrasse, Postfach (P.O. Box) 1362, 28 Bremen. WTD 3/68.

All kinds of canned food products. C.i.f. European ports. Direct purchase and agency. Marketing und Vertrieb Scholla G.m.b.H. (distributor, importer, exporter), 40 Klosterstr., 4 Dusseldorf. WTD 3/68.

VENEZUELA—Canned fruits. Agency for Caracas, western, eastern states. Marurca, S.A. (sales agent), Edificio Hoel Perez, Oficina N° 3, Calle 500, Quinta Crespo, Caracas. or: Apartado 10437 (Sabana Grande), Caracas. WTD 3/68.

204 Grain mill products

PORTUGAL—Wheat flour. Firm desires to represent wheat flour millers in handling tenders for wheat flour in Continental Portugal, overseas provinces. Direct purchase and agency. Sociedade Zickermann, S.A.R.L. (importer, exporter, sales agent), Apartado 2115, Lisbon 2. WTD 1/68.

209 Food preparations

GERMANY—Spices and condiments: barbecue cooking spices, chili powder, meat tenderizers, seasoning salts, sodium glutamate, unpacked; peanut butter, packed for retail. Offers c.i.f. German seaport preferred. Ritoni-Import GmbH (importer, wholesaler), 36 Stolzenauerstrasse, Postfach, P.O. Box 1362, 28 Bremen. WTD 3/68.

221 Broad woven fabric mills, cotton

GUATEMALA—Denim cloth for manufacturing pants, blue jeans. Almacen Roaldo (manufacturers' representative), Avenida Bolivar 27-28, Zona 3, Guatemala City. WTD 3/68.

224 Narrow fabrics, other smallwares mills

SWITZERLAND—Electric insulating materials. Direct purchase and agency. W. Moor, AG (agent, distributor, importer), Bahnstrasse 58, 8105 Regensdorf. WTD 2/67.

228 Yarn, thread mills, products

GHANA—Desires samples, quotations for cotton yarn as follows: 20's single count in 840-yd. hanks packaged in 5 lb. packets; 24's single count in 840-yd. hanks packaged in 4 lb. packets; colors: 50% white, 15% red, 35% black. Bhojsons & Co. (Ghana) Ltd. (wholesaler, retailer), P.O. Box 1531, Accra. WTD 3/68.

MOROCCO—Polyester fiber; continuous yarn, either nylon, polyester or rayon. Direct purchase and agency. Requests replies in French. Georges Treger (agent), B.P. 191, Fes. WTD 3/68.

232 Men's, youths', boys' furnishings, work clothing

CANADA—Suits for driving, i.e. racing

drivers, automobile, both stock car and road racing, motorcycle. Carling Motors (1965) Ltd. and Silver Star Motors & Holdings Ltd. (retailer), 845 Carling Ave., Ottawa 1, Ontario. WTD 3/68.

249 Wood products

UGANDA—Cork floor tiles. Twentsche Overseas Trading Co. (Uganda) Ltd. (importer, wholesaler, retailer, exporter), P.O. Box 7160, Kampala. WTD 2/68.

251 Household furniture

UGANDA—Kitchen equipment, metal. Twentsche Overseas Trading Co. (Uganda) Ltd. (importer, wholesaler, exporter, retailer), P.O. Box 7160, Kampala. WTD 2/68.

252 Office furniture

UGANDA—Office equipment. Twentsche Overseas Trading Co. (Uganda) Ltd. (importer, wholesaler, retailer, exporter), P.O. Box 7160, Kampala. WTD 2/68.

253 Public building furniture

UGANDA—School furniture. Twentsche Overseas Trading Co. (Uganda) Ltd. (importer, wholesaler, exporter, retailer), P.O. Box 7160, Kampala. WTD 2/68.

254 Partitions, shelving, lockers, office, store fixtures

UGANDA—Steel clothes lockers, library shelving. Twentsche Overseas Trading Co. (Uganda) Ltd. (importer, wholesaler, exporter, retailer), P.O. Box 7160, Kampala. WTD 2/68.

262 Paper mills, products

GERMANY—Newsprint, unbleached kraft paper; glassine; greaseproof, vegetable parchment. Direct purchase and agency. Josef Froehlen, Papiergrosshandlung G.m.b.H. (importer, wholesaler), Zweigniederlassung Hamburg, Import-Abteilung, 2000 Hamburg 13, Oberstrasse 110. WTD 5/67.

263 Paperboard mills, products

GERMANY—Folding boxboard stock, set-up boxboard. Direct purchase and agency. Josef Froehlen, Papiergrosshandlung G.m.b.H. (importer, wholesaler), Zweigniederlassung Hamburg, Import-Abteilung, 2000 Hamburg 13, Oberstrasse 110. WTD 5/67.

264 Converted paper, paperboard products

GERMANY—All types of stationery, related articles for stationery stores. C.i.f. European ports. Direct purchase and agency. Marketing und Vertrieb Scholla G.m.b.H. (distributor, importer, exporter), 40 Klosterstr., 4 Duesseldorf. WTD 3/68.

Delicatessen, locker, including freezer paper. Direct purchase and agency. Josef Froehlen, Papiergrosshandlung G.m.b.H. (importer, wholesaler), Zeigniederlassung Hamburg, Import-Abteilung, 2000 Hamburg 13, Oberstrasse 110. WTD 5/67.

SWITZERLAND—Paper novelties. Direct purchase and agency. Jameco Etterlin & Co. (importer, agent, distributor), Postfach 681, 8022 Zurich. WTD 3/68.

281 Industrial chemicals

● **INDIA**—Supply of Phenol, 400 metric tons, colorless, solid crystals, mol weight—94.11, flash point—195°F, boiling point—181.75°C, specific gravity at 25°C—1.071, and methyl ethyl ketone, 300 metric tons, purity 99% minimum, water content—0.2% minimum. Tenders No. B/ID/G-9458 and 9459 bid deadline Apr. 18. Tender documents are for sale at a cost of $7.00 per set from Controller of Stores and Purchase, Indian Oil Corp., Ltd., Barauni Refinery, Monghyr, Bihar; India Supply Mission, 2536 Mass. Ave., N.W., Washington, D.C. 20008. (Telephone: 202-CO 5-5200).

● **KOREA**—Sulfur, technical 90% or better, 6 metric tons; sodium borate (Borax), 99% $Na_2B_4O_7$: H_2O, 3 metric tons; and zinc slabs (retort zinc) composition 98% Zn, maximum 1.8% Pb., 30 metric tons. Tender #KFX-8013-N. Bid deadline Apr. 12. Office of Supply, Govt. of the Republic of Korea, Seoul.★ (Telephone: 202-967-3468).

SWITZERLAND—Industrial organic, inorganic chemicals of all kinds. Direct purchase and agency covering Western Europe. Oswald E. Boll (importer, manufacturers' representative, commission agent), Seefeldstrasse 45, 8008 Zurich. WTD 2/67.

282 Synthetic materials

UGANDA—Sundry plastics. Twentsche Overseas Trading Co. (Uganda), Ltd. (importer, wholesaler, exporter, retailer), P.O. Box 7160, Kampala. WTD 2/68.

283 Drugs

GERMANY—Blood grouping serums, blood

U.S. DEPARTMENT OF COMMERCE—FIELD OFFICES

ALBUQUERQUE, N. MEX., 87101, U.S. Courthouse. Area Code 505 Tel. 247-0311.

ANCHORAGE, ALASKA, 99501, 306 Loussac-Sogn Bldg. Area Code 907 Tel. 272-6331.

ATLANTA, GA., 30303, 4th Floor Home Savings Bldg., 75 Forsyth St. N.W. Area Code 404 Tel. 526-6000.

BALTIMORE, MD., 21202, 305 U.S. Customhouse, Gay and Lombard Sts. Area Code 301 Tel. 962-3560.

BIRMINGHAM, ALA., 35205, Suite 200-201, 908 S. 20th St. Area Code 205 Tel. 325-3327.

BOSTON, MASS., 02203, Room 510, John Fitzgerald Kennedy Federal Bldg. Area Code 617 Tel. 223-2312.

BUFFALO, N.Y., 14203, 504 Federal Bldg., 117 Ellicott St. Area Code 716 Tel. 842-3208.

CHARLESTON, S.C., 29403, Federal Bldg., Suite 631, 334 Meeting St. Area Code 803 Tel. 577-4171.

CHARLESTON, W. VA., 25301, 3002 New Federal Office Bldg., 500 Quarrier St. Area Code 304 Tel. 343-6196.

CHEYENNE, WYO., 82001, 6022 Federal Bldg., 2120 Capitol Ave. Code 307 Tel. 634-5920.

CHICAGO, ILL., 60604, 1486 New Federal Bldg., 219 South Dearborn St. Area Code 312 Tel. 353-4400.

CINCINNATI, OHIO, 45202, 8028 Federal Office Bldg., 550 Main St. Area Code 513 Tel. 684-2944.

CLEVELAND, OHIO, 44114, Room 600, 666 Euclid Ave. Area Code 216 Tel. 522-4750.

DALLAS, TEX., 75202, Room 1200, 1114 Commerce St. Area Code 214 Tel. 749-3287.

DENVER, COLO., 80202, 16419 Federal Bldg., 20th and Stout Sts. Area Code 303 Tel. 297-3246.

DES MOINES, IOWA, 50309, 609 Federal Bldg., 210 Walnut St. Area Code 515 Tel. 284-4222.

DETROIT, MICH., 48226, 445 Federal Bldg. Area Code 313 Tel. 226-6088.

GREENSBORO, N.C., 27402, 258 Federal Bldg., W. Market St. P.O. Box 1950. Area Code 919 Tel. 275-9111.

HARTFORD, CONN., 06103, 18 Asylum St. Area Code 203 Tel. 244-3530.

HONOLULU, HAWAII, 96813, 352 Alexander Young Bldg., 1015 Bishop St. Tel. 588-977.

HOUSTON, TEX., 77002, 5102 Federal Bldg., 515 Rusk Ave. Area Code 713 Tel. 228-0611.

JACKSONVILLE, FLA., 32202, P.O. Box 35087, 400 W. Bay St. Area Code 904 Tel. 791-2796.

KANSAS CITY, MO., 64106, Room 2011, 911 Walnut St. Area Code 816 Tel. 374-3141.

LOS ANGELES, CALIF., 90015, Room 450, Western Pacific Bldg., 1031 S. Broadway. Area Code 213 Tel. 688-2833.

MEMPHIS, TENN., 38103, 710 Home Federal Bldg., 147 Jefferson Ave. Area Code 901 Tel. 534-3214.

MIAMI, FLA., 33130, Rm. 821, City National Bank Bldg., 25 W. Flagler St. Area Code 305 Tel. 350-5267.

MILWAUKEE, WIS., 53203, Straus Bldg., 238 W. Wisconsin Ave. Area Code 414 Tel. 272-8600.

MINNEAPOLIS, MINN., 55401, 306 Federal Bldg., 110 S. Fourth St. Area Code 612 Tel. 334-2131.

NEW ORLEANS, LA., 70130, 909 Federal Office Bldg., S., 610 South St. Area Code 504 Tel. 527-6546.

NEW YORK, N.Y., 10001, 61st Floor, Empire State Bldg., 350 Fifth Ave. Area Code 212 Tel. 563-3377.

PHILADELPHIA, PA., 19107, Jefferson Bldg., 1015 Chestnut St. Area Code 215 Tel. 597-2850.

PHOENIX, ARIZ., 85025, 5413 New Federal Bldg., 230 N. First Ave. Area Code 602 Tel. 261-3285.

PITTSBURGH, PA., 15222, 2201 Federal Bldg., 1000 Liberty Ave. Area Code 412 Tel. 644-2850.

PORTLAND, OREG., 97204, 217 Old U.S. Courthouse, 520 S.W. Morrison St. Area Code 503 Tel. 226-3361.

RENO, NEV., 89502, 2028 Federal Bldg., 300 Booth St. Area Code 702 Tel. 784-5203.

RICHMOND, VA., 23240, 2105 Federal Bldg., 400 N. 8th St. Area Code 703 Tel. 649-3611.

ST. LOUIS, MO., 63103, 2511 Federal Bldg., 1520 Market St. Area Code 314 Tel. 622-4243.

SALT LAKE CITY, UTAH, 84111, 3235 Federal Bldg., 125 S. State St. Area Code 801 Tel. 524-5116.

SAN FRANCISCO, CALIF., 94102, Federal Bldg., Box 36013, 450 Golden Gate Ave. Area Code 415 Tel. 556-5864.

SAN JUAN, P.R., 00902, Room 100, Post Office Bldg. Phone 723-4640.

SAVANNAH, GA., 31402, 235 U.S. Courthouse and Post Office Bldg., 125-29 Bull St. Area Code 912 Tel. 232-4321.

SEATTLE, WASH., 98104, 809 Federal Office Bldg., 909 First Ave. Area Code 206 Tel. 583-5615.

fractions (derivatives). Direct purchase in bulk and sales representation. R. Paesel K.G. (wholesaler, importer, exporter), 6 Frankfurt/Main, Roederbergweg 36. WTD 12/67.

THAILAND—Complete line of poultry vaccines. C.i.f. Bangkok prices requested. Direct purchase and agency. General Drugs House Co., Ltd. (importer, wholesaler), 516 Chakrapetch Rd., Bangkok. WTD in preparation.

UGANDA—Veterinary pharmaceutical preparations. Twentsche Overseas Trading Co. (Uganda) Ltd. (importer, wholesaler, retailer, exporter), P.O. Box 7160, Kampala. WTD 2/68.

284 Soap, detergents, cleaning preparations, perfumes, cosmetics

PORTUGAL—All kinds of cosmetics, perfumes, toilet preparations. Direct purchase and agency. Sociedade Nacional de Saboes, Lda. (importer, distributor, manufacturer). Rua de Marvila 151, Lisbon 6. WTD 3/68.

SWITZERLAND—Cosmetics, perfumes, other toilet preparations, speciality cleaning, polishing, sanitation preparations; automotive polishes, car chemicals; deodorants, household aerosols. Direct purchase and agency. Jameco Etterlin & Co. (importer, agent, distributor), Postfach 681, 8022 Zurich. WTD 3/68.

UGANDA—Specialty cleaners, household insecticides. Twentsche Overseas Trading Co., (Uganda) Ltd. (importer, wholesaler, retailer, exporter), P.O. Box 7160, Kampala. WTD 2/68.

285 Paints, varnishes, lacquers, enamels

GUATEMALA—Lacquers, enamels for automotive finishing. Direct purchase and agency. Requests replies in Spanish. Mr. Carlos H. Berthet Echeverria (manufacturers' representative), Clinica de Colores, P.O. Box 1720, 20 Calle 2-25, Zona 1, Guatemala City. WTD 3/68.

SWITZERLAND—Paints, varnishes for do-it-yourself stores, stains, wood fillers, sealers, putties, glazing and caulking compounds, thinners, shellac, aerosol paints. Direct purchase and agency. Rolf Hangartner (importer, business consultant), Rautistrasse 391, 8048 Zurich. WTD 3/68.

UGANDA—Putty. Twentsche Overseas Trading Co. (Uganda) Ltd. (importer, wholesaler, retailer, exporter), P.O. Box 7160, Kampala. WTD 2/68.

287 Agricultural chemicals

FRANCE—Agricultural insecticidal, fungicidal preparations, preferably not toxicant weed killers. Direct purchase and agency. Denis Bugliani (manufacturer, grower), 58 cours Sextius, 13 Aix-en-Provence. WTD 3/68.

GREECE—Insecticides, pesticides, fungicides, herbicides. The Agricultural & Chemical Products Trading Co. Ltd. (commercial agent, importer), 24 Emm. Benaki St., Athens 142. WTD 3/68.

UGANDA—Insecticides. Twentsche Overseas Trading Co. (Uganda) Ltd. (importer, exporter, wholesaler, retailer), P.O. Box 7160, Kampala. WTD 2/68.

289 Chemical products

NETHERLANDS—Sealing compounds. Direct purchase and agency. A. J. F. Schaap N.V. (agent, wholesaler, importer), Goudsesingel 60-62 or P.O. Box 1328, Rotterdam. WTD 3/68.

UGANDA—Industrial, home-use adhesives. Twentsche Overseas Trading Co. (Uganda) Ltd. (importer, wholesaler, retailer, exporter), P.O. Box 7160, Kampala. WTD 2/68.

291 Petroleum refining

GREECE—Lubricating oils. Requests information, prices. Direct purchase and agency. John Dalianis (importer, commission agent), 8 Aristotelous St., Thessaloniki. WTD 4/67.

306 Fabricated rubber products

● **CEYLON**—V-belts, 2,522 of various sizes. Tender unnumbered, bid deadline Apr. 18. Chairman of the Tender Board, Ceylon State Hardware Corp., P.O. Box 670, 272 Havelock Rd., Colombo.★ (Telephone: 202-967-3381).

SWITZERLAND—Women's rubber garments. L. Szenfeld, Cinephone (importer, distributor), P.O. Box 341 Cornavin, 1211 Geneva 2. WTD in preparation.

307 Plastic products

JAPAN—Various plastic hair combs. Requests catalogues, prices. Yamazen Yakkyoku (Drug Store) (retailer, exporter, importer), 1038 Oote-machi, Kasugai City, Aichi Prefecture. WTD 11/67.

SWITZERLAND—Plastic novelties. Direct purchase and agency. Jameco Etterlin & Co. (importer, agent, distributor), Postfach 681, 8022 Zurich. WTD 3/68.

323 Glass products

UGANDA—Glassware, mirrors. Twentsche Overseas Trading Co. (Uganda) Ltd. (importer, wholesaler, retailer, exporter), P.O. Box 7160, Kampala. WTD 2/68.

325 Structural clay products

UGANDA—Ceramic wall tiles. Twentsche Overseas Trading Co. (Uganda) Ltd. (importer, wholesaler, exporter, retailer), P.O. Box 7160, Kampala. WTD 2/68.

329 Abrasive, asbestos, nonmetallic mineral products

SWITZERLAND—Metallic, nonmetallic minerals, earths. Direct purchase and agency. Rolf Hangartner (importer, business consultants), Rautistrasse 391, 8048 Zurich. WTD 3/68.

UGANDA—PVC floor tiles, decorative asbestos sheeting. Twentsche Overseas Trading Co. (Uganda) Ltd. (importer, wholesaler, exporter, retailer), P.O. Box 7160, Kampala. WTD 2/68.

331 Steel mill products

GREECE—Tinplate. The Agricultural and Chemical Products Trading Co. Ltd. (commercial agent, importer), 24 Emm. Benaki St., Athens 142. WTD 3/68.

TAIWAN—Electrolytic tinplate misprints; quality below 107 lbs., size 24″ x 28″ or over, double reduce, soft commercial temper, regular straight edge. Requests price quotation for 3,000,000 lbs. All Good Industry Co., Ltd. (importer), 33 Lane 31, Shaohsing N. St., Taipei. WTD in preparation.

● **THAILAND**—Points and crossings (BS No. 70A. rail) which include 70 lb. flat bottom steel rails, joint bars, tie plates, bolts and nuts, and spring washers. Tender for the Supply of Points and Crossings (BS No. 70A. Rail) for Bangsue Marshalling Yard. Tender to be submitted not later than May 7 with a deposit of $9,000.

Tender forms together with tender conditions and specifications may be purchased at the Store Division, State Railway of Thailand, Yod-Se Road, Bangkok, at a price of $15 per set. A copy of the tender documents may be examined in Room 4224, Iron and Steel Division, BDSA, U.S. Department of Commerce, Washington, D.C. 20230.

UGANDA—Steel tubular supports, columns. Twentsche Overseas Trading Co. (Uganda) Ltd. (importer, wholesaler, exporter, retailer), P.O. Box 7160, Kampala. WTD 2/68.

333 Primary smelting, refining of nonferrous metals

● **KOREA**—Sulfur, technical 90% or better, 6 metric tons; scodium borate (Borax), 99% $Na_2B_4O_7$: H_2O, 3 metric tons; and zinc slabs (retort zinc) composition 98% Zn, maximum 1.8% Pb., 30 metric tons. Tender #KFX-8013-N. Bid deadline Apr. 12. Office of Supply, Govt. of the Republic of Korea, Seoul.★ (Telephone: 202-967-3468).

SWITZERLAND—Solder for printed circuits, lead-alloy. Direct purchase and agency for Western Europe. Oswald E. Boll (importer, manufacturers' representative), Seefeldstrasse 45, 8008 Zurich. WTD 2/67.

335 Rolling, drawing, extruding of nonferrous metals

SWITZERLAND—Coaxial cable, special copper cables for electric transmission. Direct purchase and agency. Sicovend, J. Sipos & Co. (importer, distributor), Alte Winterthurerstrasse 117, 8304 Wallisellen. WTD 3/68.

342 Cutlery, hand tools, general hardware

SWITZERLAND—Automotive hardware. Direct purchase and agency. Henri Bachmann AG (importer, distributor), 12 Rue de l'Hopital, 2501 Biel. WTD 3/68.

Special tools for electric, electronic production, soldering. Direct purchase and agency. Sicovend, J. Sipos & Co. (importer, distributor), Alte Winterthurerstrasse 117, 8304 Wallisellen. WTD 3/68.

Do-it-yourself hand tools, saws and saw blades, hardware for sale in do-it-yourself shops. Direct purchase and agency. Rolf Hangartner (importer, business consultant), Rautistrasse 391, 8048 Zurich. WTD 3/68.

UGANDA—Slotted angle-iron. Twentsche Overseas Trading Co. (Uganda) Ltd. (importer, wholesaler, retailer, exporter), P.O. Box 7160, Kampala. WTD 2/68.

349 Fabricated metal products

SWITZERLAND—Metal novelties, specialties, household gadgets. Direct purchase and agency. Jameco Etterlin & Co. (importer, agent, distributor), Postfach 681, 8022 Zurich. WTD 3/68.

352 Farm machinery

GREECE—Agricultural equipment. The Agricultural & Chemical Products Trading Co. Ltd. (commercial agent, importer), 24 Emm. Benaki St., Athens 142. WTD 3/68.

353 Construction, mining, materials handling machinery, equipment

SWITZERLAND—Spare parts for earthmoving machines particularly wearing parts such

as shovels, blades, teeth, black chains, buckets, rollers for undercarriages. Direct purchase and agency. Stahl & Elektroden AG (importer, distributor), Schaffhauserstrasse 359, 8050 Zurich. WTD 3/68.

354 Metalworking machinery

NETHERLANDS—Precision instruments; special machines for metalworking industry. Direct purchase and agency. A. J. F. Schaap N.V. (agent, wholesaler, importer), Goudsesingel 60-62 or P.O. Box 1328, Rotterdam. WTD 3/68.

SWEDEN—Pneumatic tools. Stigis (agent, wholesaler), Alabodsvagen, Glumslov. WTD 3/68.

SWITZERLAND—Automotive maintenance equipment, garage equipment. Direct purchase and agency. Henri Bachmann AG (importer, distributor), 12 Rue de l'Hopital, 2501 Biel. WTD 3/68.

355 Special industry machinery

AUSTRALIA—Printing industry equipment: rubber rollers, cutting knives, matrices, type, rulers, borders, galley transfer trucks, lining up tables, offset cylinder gauges, proof presses, compounds and gums for lithographers, printers' tools. Mr. S. E. Jones (manufacturer), Multiglo Inks Pty. Ltd., 61 Baxter Rd., Mascot, N.S.W. 2020. WTD 2/68.

● **GREECE**—Complete equipment for washing, counting, testing and packaging eggs, with a capacity of 600,000 eggs every eight hours. Tender No. 698/67, bid deadline Apr. 24. Ministry of Commerce, State Purchases Directorate D, 50 Socratous St., Athens.★ (Telephone: 202-967-5589).

HONDURAS—Sawmill machinery, equipment, including parts, attachments, accessories. Ives Bendana (manufacturers' representative), 6a. Avenida #1006, Comayaguela, D.C. WTD 8/67.

INDIA—One complete unit for precoating, backcoating and frontcoating of dye line base paper manufactured from bamboo pulp. End product to be produced is ammonia gas developed and semidry type of diazo papers. Unit should be capable of operating at variable speeds up to 3000 yds. per hr. Maximum width of paper to be coated is 40 in. Separate quotations should be submitted for gas fired and electrically heated drying chamber. Available power supply is 440 volts, 3 phase, 50 cycles.

Details relating to the operational environment such as temperatures, humidity, town gas analysis, floor space available from Trade Opportunities Staff, BDSA-624, Rm. 4059, U.S. Department of Commerce, Washington, D.C. 20230. Kilburn and Co. Ltd. (Kilburns Industrial Estate) (manufacturer), 34/1 Diamond Harbour Road, Calcutta 27. WTD in preparation.

JAPAN—Portable pneumatic driving equipment for corrugated steel fasteners. Universal Trading Co., Ltd. (importer, exporter), 70, Ozone-cho, Higashi-ku, Nagoya. WTD 3/68.

TURKEY—Machinery for establishment of feed plant, particularly crushers, mixers. Abalioglu Kollektif Sirketi (importer, retailer), Turan ve Orhan Abalioglu, Enver Pasa Caddesi 19, Denizli. WTD in preparation.

VENEZUELA—Packaging machinery for food products. Agency for Caracas, western, eastern states. Marurca, S.A. (sales agent), Edificio Hoel Perez, Oficina N° 3, Calle 500, Quinta Crespo, Caracas. or: Apartado 10437 (Sabana Grande), Caracas. WTD 3/68.

YUGOSLAVIA—Machinery, equipment for production of athletic shoes, ski boots, other sporting goods. Mr. Stevan Stojanovic, Dir. Gen., Sport (manufacturer, retailer), Beograd, Visnjicka 84, P.O. Box 260. WTD 3/68.

356 General industrial machinery

LIECHTENSTEIN—Small-size automatic production machinery for consumer goods. Direct purchase and agency. Automaten-Anstalt (importer, distributor), Lettstrasse 602, Postfach 34597, 9490 Vaduz. WTD 9/67.

VENEZUELA—Packaging machines for general industrial use. Agency for Caracas, western, eastern Venezuela. Marurca, S.A. (sales agent), Edificio Hoel Perez, Oficina N° 3, Calle 500, Quinta Crespo, Caracas. or: Apartado 10437 (Sabana Grande), Caracas. WTD 3/68.

357 Office, computing, accounting machines

FRANCE—Small computers which might be used for management, accounting operations in medium-sized firms. Societe B. G. N. (agent), 16 Rue Lafon, 13 Marseille, 6eme. WTD 3/68.

HONDURAS—Adding, calculating machines, typewriters. Requests catalogs, prices c.i.f. Honduran port. J. J. Siwady (importer, wholesaler), 3a Avenida, S.A., N° 44-D, San Pedro Sula. WTD 8/67.

SWEDEN—Numeric or digital, optical readouts, 1"-2" high, 6-24 volts. Direct purchase and agency. Olof Klevestav AB Okab (manufacturer, agent, distributor, importer, exporter), Box 601, Hagersten 6. WTD 3/68.

SWITZERLAND—Data processing auxiliary equipment, punched card readers, punched tape winders, rewinders, punched tape filing systems, magnetic tape storage files, magnetic tape winders, rewinders. Direct purchase and agency. Erwin Joerimann (agent, importer, retailer), Obere Wiltisgasse 31, 8700 Kuesnacht. WTD 5/67.

358 Service industry machines

FRANCE—Packaged air conditioners for home, automobiles. R.M.C.C. (importer), 220 Ave. de Toulon, 13 Marseille, 10eme. WTD 3/68.

LIECHTENSTEIN—Automatic vending machines of all kinds, new inventions. Direct purchase and agency. Automaten-Anstalt (importer, distributor), Lettstrasse 602, Postfach 34597, 9490 Vaduz. WTD 9/67.

361 Electric transmission, distribution equipment

AUSTRALIA—Rotary electrical switches, 10 to 100 Amp capacity; voltage regulators; flameproof switch gear, allied equipment for use in oil industry. Direct purchase and agency. McKenzie & Holland (Australia) Pty. Ltd. (importer, manufacturer), Stephenson St., P.O. Box 4, Newport, Victoria 3015. WTD 4/67.

SWEDEN—Digital multitesters, low cost units, of panel or table instruments for measuring of volts DC and/or AC; micro-amperes and/or milliamperes and/or amperes; ohms and kohms; capacitance; either combined or separate units. Direct purchase and agency. Olof Klevestav AB OKAB (manufacturer, distributor, agent, importer, exporter), Box 601, Hagersten 6. WTD 3/68.

SWITZERLAND—Electric measuring, test equipment. Agency and direct purchase. Witronic Sarl (importer, distributor), 1095 Lutry. WTD in preparation.

Electric measuring instruments, testing equipment. Direct purchase and agency. Sicovend, J. Sipos & Co. (importer, distributor), Alte Winterthurerstrasse 117, 8304 Wallisellen. WTD 3/68.

362 Electrical industrial apparatus

AUSTRALIA—Electronic control equipment; electric welding equipment, electrodes. Direct purchase and agency. McKenzie & Holland (Australia) Pty. Ltd. (manufacturer, importer), Stephenson St., P.O. Box 4, Newport, Victoria 3015. WTD 4/67.

SWITZERLAND—Industrial controls. Agency and direct purchase. Witronic Sarl. (importer, distributor), 1095 Lutry. WTD in preparation.

Electric power relays. Direct purchase and agency. Sicovend, J. Sipos & Co. (importer, distributor), Alte Winterthurerstrasse 117, 8304 Wallisellen. WTD 3/68.

Integrated circuits, semi-manufacturers, components for electric industry, power plants. Direct purchase and agency. W. Moor AG (agent, distributor, importer), Bahnstrasse 58, 8105 Regensdorf. WTD 2/67.

363 Household appliances

HONDURAS—Household electric, gas ranges. Requests catalogs, prices c.i.f. Honduran port. J. J. Siwady (importer, wholesaler), 3a. Avenida, S.O. N° 44-D. WTD 8/67.

364 Electric lighting, wiring equipment

SWITZERLAND—Electric conduits, all kinds; electric joints, connectors, terminals, plugs. Direct purchase and agency. W. Moor AG (agent, distributor, importer), Bahnstrasse 58, 8105 Regensdorf. WTD 2/67.

Current carrying wiring devices, snap switches, connectors for electronic application, electrical insulators, insulation tubing. Direct purchase and agency. Sicovend, J. Sipos & Co. (importer, distributor), Alte Winterthurerstrasse 117, 8304 Wallisellen. WTD 3/68.

365 Radio, television receiving sets

SWITZERLAND—Two track prerecorded tapes. Agency and direct purchase. L. Szenfeld, Cinephone (importer, distributor), P.O. Box 341 Cornavin, 1211 Geneva 2. WTD in preparation.

367 Electronic components, accessories

SWITZERLAND — Electronic components, solid state devices, printed circuits in general, for automotive industry in particular. Direct purchase and agency. Henri Bachmann AG (importer, distributor), 12 Rue de l'Hopital, 2501 Biel. WTD 3/68.

Transistors, resistors, relays, capacitors, condensers. Direct purchase and agency. Sicovend, J. Sipos & Co. (importer, distributor).

Late Leads—Information received too late to be of value to bidders is published because many readers will find it of value in follow-up campaigns to sell complementary products and subsidiary services. Sometimes a cable to an agent on the scene will result in tie-in sales.

Alte Winterthurerstrasse 117, 8304 Wallisellen. WTD 3/68.

Base materials for printed circuits, related products; industrial laser application electron beam. Direct purchase and agency for Western Europe. Oswald E. Boll (importer, manufacturers' representative), Seefeldstrasse 45, 8008 Zurich. WTD 2/67.

369 Electrical machinery, equipment, supplies

AUSTRALIA—Automatic systems for remotely controlled factory entrance barriers and doors; alkaline batteries. Direct purchase and agency. McKenzie & Holland (Australia) Pty. Ltd. (manufacturers, importers), P.O. Box 4, Newport, Victoria 3015. WTD 4/67.

SWITZERLAND—Industrial nucleonics application. Direct purchase and agency covering Western Europe. Oswald E. Boll (importer, manufacturers' representative), Seefeldstrasse 45, 8008 Zurich. WTD 2/67.

371 Motor vehicles, motor vehicle equipment

CANADA—Automotive parts, accessories, tools, preferably for Volkswagen, Volvo, and Triumph cars, i.e. replacement parts such as motor parts, steering, suspension and ignition. Carling Motors (1965) Ltd. and Silver Star Motors & Holdings Ltd. (retailer), 845 Carling Ave., Ottawa 1, Ontario. WTD 3/68.

SWITZERLAND—Automotive parts, accessories, all kinds. Direct purchase and agency. Henri Bachmann AG (importer, distributor), 12 Rue de l'Hopital, 2501 Biel. WTD 3/68.

Automotive accessories for passenger cars. Direct purchase and agency. Rolf Hangartner (importer, business consultant), Rautistrasse 391, 8048 Zurich. WTD 3/68.

373 Ship building, repairing

PORTUGAL—Two steel flat bottom used cargo barges 60x12x3 meters, self-propelled or non-propelled for interior navigation and transport of sand on Tagus river. Jose Ribeiro Industrias e Comercio S.A.R.L. (construction contractor), Avenida de Padua 14, Lisbon. WTD in preparation.

374 Railroad equipment

● **NEW ZEALAND**—Five railway wagon speed control retarders and associated equipment to New Zealand Railways Specification No. S.68/44, bid deadline June 5. Comptroller of Stores, New Zealand Railways, Private Bag, Wellington, New Zealand. Specifications, general conditions of contract, and drawings may be reviewed in Room 4314, Transportation Equipment Div., BDSA-596, U.S. Department of Commerce, Washington, D.C. 20230. Copies are obtainable through the Office of the New Zealand Trade Commissioner, Washington, D.C.

381 Engineering, laboratory, scientific, research instruments

SWITZERLAND—Semiconductors, electronics. Direct purchase and agency. W. Moor AG (agent, distributor, importer), Bahnstrasse 58, 8105 Regensdorf. WTD 2/67.

382 Instruments for measuring, controlling, indicating physical characteristics

AUSTRALIA—Transducers for measuring electrical, hydraulic, pneumatic quantities. Direct purchase and agency. McKenzie & Holland (Australia) Pty. Ltd. (manufacturer, importer), P.O. Box 4, Newport, Victoria 3015. WTD 4/67.

PORTUGAL—Machinery, apparatus for testing cold rolled steel sheets; machinery for capping tests and equipment for physical and chemical tests of thickness of metal galvanizing coating. Direct purchase and agency. Sociedade Comercial Romar, Lda. (importer, dealer, distributor), Rua da Boa Vista 83-1°. Dto., Lisbon. WTD 11/67.

SWITZERLAND—Mechanical and automatic instruments, industrial process apparatus, all kinds, in particular for food and pharmaceutical industries. Agency and direct purchase. Witronic Sarl (importer, distributor), 1095 Lutry. WTD in preparation.

384 Surgical, medical, dental instruments

TUNISIA—Medical, surgical, dental, laboratory instruments, apparatus. Exclusive agency. Ets Chadly Zouiten (importer, wholesaler), 12, Rue Es-Sadikia, Tunis. WTD 3/68.

386 Photographic equipment

SWITZERLAND—Still and motion picture cameras, projection apparatus, slides, motion picture films for home use. Agency and direct purchase. L. Szenfeld, Cinephone (importer, distributor), P.O. Box 341 Cornavin, 1211 Geneva 2. WTD in preparation.

TUNISIA—Graphic arts, microfilming equipment. Exclusive agency. Ets Chadly Zouiten (importer, wholesaler), 12, Rue Es-Sadikia, Tunis. WTD 3/68.

394 Toys, amusement, sporting goods

CANADA—Motorcycle helmets. Must comply with Canadian Standards Association requirements. Carling Motors (1965) Ltd. and Silver Star Motor & Holdings Ltd. (retailer), 845 Carling Ave., Ottawa 1, Ontario. WTD 3/68.

GERMANY—Games, toys. Requests price quotations c.i.f. Hamburg or Rotterdam. Nordwest Eisen- und Metallwaren e G.m.b.H. (cooperative purchasing organization), Postfach 4205, 58 Hagen/Westf. WTD 6/67.

All types of camping articles, accessories. C.i.f. European ports. Direct purchase and agency. Marketing und Vertrieb Scholla GmbH (distributor, importer, exporter), 40 Klosterstr., 4 Duesseldorf. WTD 3/68.

SWITZERLAND—Unusual sport equipment: toys, games; novelties. Direct purchase and agency. Jameco Etterlin & Co. (importer, agent, distributor), Postfach 681, 8022 Zurich. WTD 3/68.

YUGOSLAVIA—Trade and field equipment such as track shoes, vaulting poles, javelins, tennis rackets and balls. Requests catalogs. Interested in producing sporting, camping equipment under license. Mr. Stevan Stojanovic, Dir. Gen., Sport (manufacturer, retailer), Beograd, Visnjicka 84, P.O. Box 260. WTD 3/68.

399 Manufacturing industries

HONDURAS—Portable fire extinguishers. Requests catalogs, prices c.i.f. Honduran port. J. J. Siwady (importer, wholesaler), 3a. Avenida, S.O., N° 44-D. WTD 8/67.

SWITZERLAND—Advertising novelties. Direct purchase and agency. Jameco Etterlin & Co. (importer, agent, distributor), Postfach 681, 8022 Zurich. WTD 3/68.

504 Groceries

GERMANY—Canned and/or frozen fruits, fruit juices, vegetables, sea food: crabmeat, shrimp, salmon, lobster. Specialties: packaged meals, cakes, puddings; sauces, salad dressings, sandwich spreads; dried nuts; other grocery specialties. Spices and condiments: barbecue cooking spices, chili powder, meat tenderizers, seasoning salts, sodium glutamate, unpacked; peanut butter, packed for retail. Offers c.i.f. German seaport preferred. Ritoni-Import GmbH (importer, wholesaler), 36 Stolzenauerstrasse, Postfach P.O. Box 1362, 28 Bremen. WTD 3/68.

VENEZUELA—Fruits, dried. Agency for Caracas, western, eastern states. Marurca, S. A. (sales agent), Edificio Hoel Perez, Oficina N° 3, Calle 500, Quinta Crespo, Caracas. or: Apartado 10437 (Sabana Grande), Caracas. WTD 3/68.

505 Farm products, raw materials

PORTUGAL—Corn, wheat, other cereals, in bulk. Firm desires to represent wheat exporters in handling tenders for wheat in Continental Portugal, overseas provinces. Direct purchase and agency. Sociedade Zickermann, S.A.R.L. (importer, exporter, sales agent), Apartado 2115, Lisbon 2. WTD 1/68.

508 Machinery, equipment, supplies

UGANDA—Laundry machinery, equipment; office machines. Twentsche Overseas Trading Co., (Uganda) Ltd. (importer, wholesaler, exporter, retailer), P.O. Box 7160, Kampala. WTD 2/68.

509 Wholesalers

GERMANY—Wiping rags; cotton wipers; wholesale quantities. Offers c.i.f. German seaport preferred. Karl Gross (manufacturer, importer, exporter, forwarder), Attn. Mr. Roepe, Postfach P.O. Box 860, 97-98 Am Wall, 28 Bremen 1. WTD 3/68.

781 Motion picture production, distribution

TUNISIA—Desires to represent film producers; co-produce documentaries, films. Exclusive agency. Ets Chadly Zouiten (importer, wholesaler), 12, Rue Es-Sadikia. Tunis. WTD 3/68.

Kuwait port study available

Copies of a survey on the expansion project for Kuwait's Shuwaikh Port are available from Building Materials and Construction Industries Division, BDSA-564, Room 4014, U.S. Department of Commerce, Washington, D.C., 20230. Telephone 202-967-3602. A chart on the Port development is available for office review.

Firms awarded port contract

The article "U.S. firms awarded port building contract," (see International Commerce, Mar. 4, p. 33) should have stated that the engineering for the Honduras port project was done jointly by Tippetts-Abbett-McCarthy-Stratton Inter-American Corp. and Cerna Y Maier S. de R.L. of Honduras; also, U.S. supplies and equipment will be considered as well as other sources of supply.

Sales Representation

The firms listed below are interested in representing U.S. firms in the areas indicated. Exclusive distributorship for these commodities is wanted only if specified.

263 Paperboard mills, products

ITALY—Kraftliner, semichemical fluting used in manufacture of corrugated cardboard. F. Marzotto—Rappresentanze Cartiere (sales agent), 26 Borgo degli Albizi, I 50122—Florence. WTD 3/68.

281 Industrial chemicals

GREECE—Organic nuclear fuels; inorganic nuclear fuel reactor cores; radioactive isotopes. Requests catalogs. Exclusive agency. Demetrius C. Tzitzinias (sales agent), 29 Gregory Kydonion St., Athens 906. WTD 9/67.

284 Soap, detergents, cleaning preparations, perfumes, cosmetics

GERMANY—All types of cosmetics; c.i.f. European ports. Direct purchase and agency. Marketing und Vertrieb Scholla G.m.b.H. (distributor, importer, exporter), 40 Klosterstr., 4 Duesseldorf. WTD 3/68.

287 Agricultural chemicals

THAILAND—Full line of insecticides for agricultural purposes. C.i.f. Bangkok prices requested. Exclusive agency. General Drugs House Co., Ltd. (importer, wholesaler), 516 Chakrapetch Rd., Bangkok. WTD in preparation.

Late Leads—Information received too late to be of value to bidders is published because many readers will find it of value in follow-up campaigns to sell complementary products and subsidiary services. Sometimes a cable to an agent on the scene will result in tie-in sales.

307 Plastic products

FRANCE—Plastic, bottle-caps, stoppers, crowns, and related closures for glass, plastic bottles of all categories, sizes such as wines, liquors, drugs which may complete firm's lines of production. Descriptive literature, price lists requested. Betria & Cie. (Etablissements) (manufacturer, wholesaler, exporter), 249-263 Rue du Jardin-Public; 33- Bordeaux, Gironde. WTD 3/68.

331 Steel mill products

GERMANY—Special steels for nuclear industry. Exclusive agency. C.i.f. Hamburg or Bremen prices, catalogs requested. E. A. Giessen K.G. (sales agent), 8 Muenchen-Allach, Ernst-Haeckel-Strasse 18. WTD 3/68.

335 Rolling, drawing, extruding of nonferrous metals

GERMANY—Special metals such as titanium, tungsten, molybdenum in shape, tubes, sheets, strips. Exclusive agency. C.i.f. Hamburg or Bremen prices, catalogs requested. E. A. Giessen K.G. (sales agent), 8 Muenchen-Allach, Ernst-Haeckel-Strasse 18. WTD 3/68.

354 Metalworking machinery

NETHERLANDS—Metalworking machines, machine tools, automotive (garage) tools. Service workshop available. Exclusive representation on commission basis. P.F.H. Paarlberg (importer, representative), 40 Maasstraat, Arcen, Limburg. WTD 3/68.

355 Special industry machinery

FRANCE—Chemical machinery, processing equipment, allied products of modern types for utilization by petroleum, petrochemical industries, in paper plants. Lageneste, (Bernard de), (sales agent, chemical engineer), Les Essarts; Section de Beaune-les-Mines; 87- Limoges, Haute-Vienne. WTD 3/68.

356 General industrial machinery

ITALY—Industrial fans, filters. Favra Italiana, S.p.A. (agent), Via Abbondio Sangiorgio 15, Milan. WTD in preparation.

357 Office, computing, accounting machines

GREECE—Electronic computing equipment. Requests catalogs. Exclusive agency. Demetrius C. Tzitzinias (sales agent), 29 Gregory Kydonion St., Athens 906. WTD 9/67.

365 Radio, television receiving sets

HONDURAS—Household television receivers. Exclusive distribution. Requests catalogs, prices c.i.f. Honduran port. J. J. Siwady (importer, wholesaler), 3a. Avenida, S.O., No. 44-D. WTD 8/67.

366 Communication equipment

GREECE—Electronic field detection apparatus; object detection apparatus; synchrotrons. Requests catalogs. Exclusive agency. Demetrius C. Tzitzinias (sales agent), 29 Gregory Kydonion St., Athens 906. WTD 9/67.

367 Electronic components, accessories

GREECE—Semiconductors, related devices. Requests catalogs. Exclusive agency. Demetrius C. Tzitzinias (sales agent), 29 Gregory Kydonion St., Athens 906. WTD 9/67.

369 Electrical machinery, equipment, supplies

GREECE—Radiographic, fluoroscopic, therapeutic X-rays, other X-ray apparatus, tubes; electromedical, electrotherapeutic apparatus. Requests catalogs. Exclusive agency. Demetrius C. Tzitzinias (sales agent), 29 Gregory Kydonion St., Athens 906. WTD 9/67.

371 Motor vehicles, motor vehicle equipment

NETHERLANDS—Automotive parts. Service-workshop available. Exclusive representation on commission basis. P. F. H. Paarlberg (importer, representative), 40 Maasstraat, Arcen, Limburg. WTD 3/68.

382 Instruments for measuring, controlling, indicating physical characteristics

GREECE—Nuclear radiation scalers; scintillation detectors; ultrasonic testing equipment. Requests catalogs. Exclusive agency. Demetrius C. Tzitzinias (sales agent), 29 Gregory Kydonion St., Athens 906. WTD 9/67.

NETHERLANDS—Pneumatic, other measuring, control equipment, components. Exclusive agency for Benelux, West Germany. Submit detailed descriptive literature, price lists. N.V. Technische Handelsonderneming "Coimex-Vlaardingen" (importer, agent, distributor, exporter), 11 Veldweg, Hattem. WTD 7/67.

386 Photographic equipment

HONDURAS—Photographic cameras. Agencia Comercial Samperco (wholesaler). Attn: Santiago A. Perdomo, Mgr. P.O. Box 498, Tegucigalpa. WTD 7/67.

387 Watches, clocks, parts

HONDURAS—Watches. Agencia Comercial Samperco (wholesaler). Attn: Santiago A. Perdomo, Mgr., P.O. Box 498, Tegucigalpa. WTD 7/67.

394 Toys, amusement, sporting goods

TAIWAN—Bowling alley equipment: pin setters, ball returns, balls. Exclusive agency. Requests brochures, price information. Orient Trading Co. Ltd. (exporter, agent), P.O. Box 3240, Taipei. WTD in preparation.

399 Manufacturing industries

NETHERLANDS—CO_2 fire extinguishing installations equipped with automatic, electric alarms. Exclusive representation for Benelux area. GW Ventilatie N.V. (importer, assembler, installer, distributor, exporter), 53A Teilingerstraat, Rotterdam-1. WTD 11/67.

Leads for Importers

Commodities are offered direct unless specified

203 Canning, preserving foods

IRAN—Iranian dried fruits. S. Mohan Singeh Kohli, Seraye Omid (import-export firm), Bouzarjomehri Ave., Tehran. WTD 3/68.

207 Confectionery

IRAN—Salted and roasted Iranian nuts. S. Mohan Singeh Kohli, Seraye Omid (import-export firm), Bouzarjomehri Ave., Tehran. WTD 3/68.

208 Beverage industries

FINLAND—Cranberry, cloudberry liqueurs. Seeks agency contact in New York. Oy Gust. Ranin, Lignell & Piispanen Likooritehdas, Kuopio. WTD 3/68.

229 Textile goods

GERMANY—Jute rags, suitable for being processed to recover fibers. Wholesale quantities. Karl Gross (manufacturer, importer, exporter, forwarder), Attn. Mr. Roepe, Postfach P.O. Box 860, 97/98 Am Wall, 28 Bremen 1. WTD 3/68.

239 Fabricated textile products

GERMANY—Second-hand burlap bags of jute or sisal. Large wholesale quantities. Karl Gross (manufacturer, importer, exporter, forwarder), Attn. Mr. Roepe, Postfach P.O. Box 860, 97/98 Am Wall, 28 Bremen 1. WTD 3/68.

342 Cutlery, hand tools, general hardware

SWEDEN—Hand vacuum pump for removing excess tin from solders on printed circuits. Data sheets available upon request. Olof Klevestav AB OKAB (manufacturer, exporter, agent, distributor, importer), Box 601, Hagersten 6. WTD 3/68.

394 Toys, amusement, sporting goods

YUGOSLAVIA—Football (soccer) balls and shoes, volley balls, ski boots, skate shoes, boxing gloves, table tennis equipment, track, field athletic equipment. Mr. Stevan Stojanovic, Dir. Gen., Sport (manufacturer, retailer), Beograd/Visnjicka 84, P.O. Box 260. WTD 3/68.

509 Wholesalers

GERMANY—Jute rags, suitable for being processed to recover fibers. Wholesale quantities. Karl Gross (manufacturer, importer, exporter, forwarder), Attn. Mr. Roepe, Postfach P.O. Box 860, 97/98 Am Wall, 28 Bremen 1. WTD 3/68.

Visiting Buyers and Officials

Scheduled arrival dates and U.S. addresses indicated

INDIA—Harshad Patel, River Valley Equipment Co., 381 Dr. Dadbhoy Naoroji Road, Bombay 1, interested in locating a U.S. partner to manufacture **polyethylene shipping bags, investigating possibilities of producing ultrasonic equipment, servo motors, rechargeable cadmium batteries with American participation, and requesting technical information.** Apr. 15 via Washington or New York for 15 days. c/o Bharat Patel, 3010 Ziwet House, 1440 Hubbard Road, Ann Arbor, Mich. 48105. Itinerary: Akron, O.; Chicago; New York; Washington; Los Angeles. WTD in preparation.

Manubhai M. Bhavsar, National Metal Industries, 15-A Parel Village Road, Parel, Bombay 12, interested in purchasing **stainless steel sheets, forming lathes, transfer presses, in selling household utensils, pressure cookers, oil engine parts, in discussing with U.S. manufacturers the possibilities of producing teflon-coated household appliances under license in India, and requesting technical information.** Approx. Apr. 15 via New York for 20 days. c/o W. Cavior, 25th 5th Ave., New York, N. Y. 10011. Itinerary: New York, Washington; Cincinnati; Flagstaff, Ariz. WTD 7/63 under revision.

ITALY—Ralph V. Battino, Favra Italiana S.p.A., Via A. Sangiorgio 15, Milan, interested in obtaining agencies from U.S. firms producing equipment for **water cooling towers, high pressure, gate, plug, relief and safety valves, filters, remote controls for valves.** Apr. 16 via New York for 10-15 days. c/o Loris Battin, 529 E. 85th St., New York, N.Y. 10028. Itinerary: New York; Pittsburgh; Cincinnati; Marcelline, Mo.; New Orleans, Houston, Los Angeles, San Francisco. WTD in preparation.

KOREA—Choi Chun-Kyu, Pres., and Chin S. Joon, Mgr., Seoul Trading Co. Ltd., Rm. 312, New Korea Bldg., 192, 1-ka, Ulchi-ro, Chungku, Seoul, interested in promoting sales of **hair products, sweaters, embroidered curtains, and in contacting U.S. firms interested in manufacturing electronics or other products in Korea on a joint venture basis** with Seoul Trading Co. Mar. 21 via New York for one month. c/o Dept. of Commerce Field Offices. Itinerary: 4/8-10 Washington, D.C., 4/13 Houston, 4/15 Dallas, 4/20 Los Angeles, 4/23 San Francisco. WTD 2/26/65 under revision.

PANAMA—David Btesh, Compania Btesh, S.A., P.O. Box 1592, Panama City, interested in **clothing and fabrics for import and in meeting with U.S. hotels to discuss possible joint venture in constructing a hotel in Panama City.** First week in April via Los Angeles for a month. c/o Merchants Corp. of America, 270 Park Ave., New York, N.Y. 10016. Itinerary: Los Angeles, New York. WTD 11/67.

SWITZERLAND—Jo. A. Jacobstahl, European Marketing Systems, 5 Ave. de Beaumont, 1700 Fribourg, wishes to meet with U.S. firms interested in engaging in or promoting further activities in Europe. About Apr. 15 via Boston for some time. c/o European Marketing Systems, 4300 Prudential Tower, Boston, Mass. Itinerary: Boston; New York; Washington, D.C.; Seattle; Houston; Oklahoma City; Los Angeles; San Francisco; Chicago; Detroit; others as required. WTD 11/3/66 under revision.

TAIWAN—H. C. Cheng, Managing Director, China Products Co., 2nd Fl., 75 Sec. 1, Chungking S. Road, Taipei, interested in **selling canned fruits, vegetables, soy sauce, feather flowers, other feather decorative items, handicrafts.** Apr. 14 via Los Angeles for one month. Itinerary: 4/14-16 Los Angeles c/o Clark Hotel Int., 426 S. Hill, 90013; 4/16-19 Chicago c/o Atlantic Hotel, 318 S. Clark, 60604; 4/19-5/1 New York c/o Hotel Tudor, 304 E. 42nd St., 10017; 5/1-8 San Francisco c/o Californian Hotel, 405 Taylor, 94101; 5/8-11 Honolulu c/o Waikiki Biltmore Hotel, 2424 Kalakaua Ave., 96815. WTD 9/66.

Export business vs. domestic business

"I do not believe the export business should be approached on the basis of skimming the gravy off the top. Nor do I believe it should be looked upon as plus business that can absorb overheads. If you begin applying all types of rationale to the benefits of getting export business, you will never get into the business on a sound, permanent basis. It must be looked at in the same terms as domestic business. A dollar's worth of export business should have the same value as a dollar's worth of domestic business."

—George Strike, President, American Laundry Machinery Industries

Madagascar plans road, bridge construction

The Malagasy Ministry of Equipment and Communications invites prequalification applications to bid on the construction of two roads and three bridges. The value of these projects is estimated at $10 million, to be financed by funds expected from the International Development Association.

The projects include: asphalt surfacing of the Ambanja-Ambilobe road, 91 Km. long, situated in the northwest; asphalt surfacing of the Fanjakamandroso-Tsiroanomandidy road, 55 Km. long, in the western part of Tananarive province; construction of three large bridges in eastern and northeastern Madagascar (of an approximate total length of 800 meters) on the Onive, Fanandrana and Ambanja rivers.

Registration deadline is Apr. 27. Correspondence is preferred in French. Write: The Directeur General de L'Equipement et de l'Aeronautique, Service de l'Administration Generale, 1ere Division. Section G—Boite Postale No. 295—Tananarive, Madagascar.

Korea to buy recording tapes, tubes, silicon rectifiers

The Republic of Korea, Office of Supply, has issued Tender No. AID/SA-8015-N, for the supply of recording tapes, tubes, and silicon rectifiers.

Bid deadline is 1400 hrs. May 14.

Bid should offer 344 reels of 2,400 ft. recording tape; 3,218 reels of 1,200 ft. of tape; 3,200 reels of 600 ft. of tape, and an assortment of transmitting receiving tubes, and silicon rectifiers.

Copies of tender announcement and specifications are available from the Office of Supply, Government of Republic of Korea, Seoul, Korea or on a short-term loan basis to firms located in the U.S. from the Electronics Division, BDSA-658, Room 4125, U.S. Department of Commerce, Washington, D.C. 20230. Telephone: Code 202-967-4038.

New Books and Reports

Commerce publications offer key to export markets

Export Market Guides are prepared by the Commerce Department's Bureau of International Commerce to outline the market for a product in an individual country.

Although planned as an informational tool in conjunction with specific U.S. Trade Center shows and international fairs, the Guides are also of interest to readers seeking information about a particular foreign market.

Recent titles are:

Israel—Machine Tools, Packaging, Food Processing Equipment.

Sweden—Mining & Mineral Processing Equipment.

Italy—Industrial Assembly.

U.K.—Mechanical Power Transmission Equipment.

Japan—Shipyard & Marine Equipment.

West Germany—Transducers Instrumentation Systems.

Thailand—Materials & Cargo Handling Equipment.

Japan—Document Processing, Reproduction Equipment.

The Export Market Guides may be ordered, at 10 cents each, from Sales and Distribution, Room 2119, Department of Commerce, Washington, D.C. 20230, or from any Commerce Field Office.

International Trade Fairs 1968. Published by Pan American World Airways. Boston. 64pp. Free.

More than 1,600 trade fairs in 59 countries are listed in this booklet, indexed by categories of products. Also included are a listing of commercial holidays abroad, and several pages of suggestions on how to plan and execute a trade fair exhibit.

Write: Pan American World Airways, P.O. Box 2212, Boston, Mass. 02107.

AID Economic Data Books. Published by AID. Washington, D.C. 1967. $3 each.

These economic data books were prepared originally for AID desk and program officers, as a central reference source for economic and social data on over 85 developing countries. In response to public demand, copies have been reproduced and are now available for sale.

Separate books for each of the four major less developed regions contain various tables showing country and regional totals for the main economic and social indicators, and individual sections for the principal countries within the region. Each country section generally includes: map, data on natural and human resources, education, transportation, power and industry, and annual trend statistics.

These may be ordered by the following titles and numbers:

Africa—ID 3/00/03089.

Far East—ID 4/00/03090.

Latin America—ID 1/00/03088.

Near East & S. Asia—ID 2/00/03087.

Checks or money orders should be made out to National Bureau of Standards—CFSTI when ordering **from:** U.S. Department of Commerce, Clearinghouse for Federal Scientific and Technical Information 410.12, Springfield, Va. 22151.

Economic Survey of Canada. Published by the OECD. Paris. 1968. 44pp. 80 cents.

This is the latest title in this series of economic studies for member countries, published annually by the OECD. The booklet contains information on economic developments and policies, business trends and economic outlook. Emphasis is placed on the country's most important current problems.

A statistical annex is included showing major business indicators, wages and prices, public finance and foreign trade, and a list of policy measures taken in July 1966.

Write: OECD Publications Office, Suite 1306, 1750 Pennsylvania Ave. NW., Washington, D.C. 20006.

International Tin Council Statistical Year Book 1966. Published by the International Tin Council. London. 1967. 281pp. $9.60. Airmail extra.

This is the latest in a series of statistical yearbooks and supplements begun in 1959 by the Council.

It summarizes provisions of the Third International Tin Agreement of July 1966, the Technical Conference on Tin in March 1967, the history of tin disposals from the United States surplus strategic stockpile during 1964-67, the world tin position during this period, and other material of interest to those in the industry.

The volume also covers the canning industry.

Statistical tables of mine and metal production, consumption, exports, imports, trade, production and consumption of tinplate for more than 100 countries are also included.

Write: International Tin Council, 28 Haymarket, London, S.W. 1, England.

Holidays Abroad 1968. Published by the Department of Commerce. Washington, D.C. 1968. 32pp. 15 cents.

A pocket-sized reprint of the international business holidays listed in the Jan. 1 issue of INTERNATIONAL COMMERCE is now available.

The calendar lists government, commercial and religious holidays in 121 countries. It includes information on countries that observe other than a Saturday-Sunday weekend business holiday. The calendar was prepared from information supplied by U.S. commercial officers abroad and by desk officers in the Commerce Department.

Write: Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

The Economy of Tanganyika. By Gilbert L. Rutman. Published by Frederick A. Praeger, Inc. New York. 208pp. $12.50.

An analysis of each sector of the Tanganyikan economy is presented in this study. Such problems as the tribal system of agriculture, lack of arable land, small industrial base, few mineral resources, a population largely unskilled and illiterate, and dependence on foreign aid are discussed.

Special attention is devoted to government planning—its attempt to increase African participation in business through limiting the economic power of foreign nationals, and regulation of private enterprise, cooperatives and trade unions.

Write: Frederick A. Praeger, Inc., 111 Fourth Ave., New York, N.Y. 10003.

☆ U. S. GOVERNMENT PRINTING OFFICE: 1968—301-961/39

Calendar *for international traders*

BOSTON—Apr. 16-17—Businessmen's Consultation, **Wolfgang F. Robinow, Trade Center Director, Frankfurt.** Sponsor: Commerce Field Office.

CEDAR RAPIDS, Ia.—Apr. 16—Int'l Trade Bureau of Chamber of Commerce monthly dinner meeting, Roosevelt Hotel, 6 p.m. Speaker: John H. Graflund, Deere & Co.

CHICAGO—Apr. 16—In-Office Meeting. Sponsor: Commerce Field Office.

CHICAGO—Apr. 17—Chicago Midwest Credit Mgmt. Assn., Bismarck Hotel.

DETROIT—Apr. 16—Export Marketing Workshop, Department of Commerce. Sponsors: REEC, Commerce Field Office.

DETROIT—Apr. 18—World Trade Club of Detroit monthly meeting, Pick-Ft. Shelby Hotel, 6 p.m.

HARTFORD—Apr. 15—Businessmen's Consultation, **Wolfgang F. Robinow, Trade Center Director, Frankfurt.** Sponsor: Commerce Field Office.

HONOLULU—Apr. 17—Export-Import Workshop, Room 402, Small Business Admin., 10 a.m. Sponsors: Commerce Field Office, Small Business Admin.

MEMPHIS—Apr. 16—Memphis World Trade Club, "Trading With Japan," Sheraton Motor Inn.

MEMPHIS—Apr. 17—Forum on Italy and the Milan Trade Center, Hotel Sheraton-Peabody. Sponsors: Commerce Field Office, Mid-South Exporters' Roundtable.

MIAMI—Apr. 12—Businessmen's Consultation, **John B. Crume, Economic Officer, Bogota.** Sponsor: Commerce Field Office.

MIAMI—Apr. 17—In-Office Export Workshop, on Freight Forwarder's Role in Exporting, 10 a.m., Commerce Field Office. Sponsors: Commerce Field Office, S. Fla. REEC.

MIAMI—Apr. 17—S. Florida REEC monthly meeting, 12 noon.

MILWAUKEE—Apr. 17—Export Workshop, Conference Room, Marshall & Ilsley Bank, 9:30 a.m. Sponsors: Commerce Field Office, REEC, Marshall & Ilsley Bank.

Calendar deadline

Information for publication must be received three weeks before the date of the announced event. Include time, place, sponsoring organization and special topic, if applicable. Meetings must be open to the public in order to be publicized in this space. **Write:**

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MINNEAPOLIS—Apr. 16—In-Office Export Conference. Sponsors: Commerce Field Office, REEC.

NEW ORLEANS—Apr. 17-19—First World Trade Centers Assn. Conference, International House.

NEW ORLEANS—Apr. 19—Businessmen's Consultation, **John C. Fuess, Consul General, Trieste.** Sponsor: Commerce Field Office.

NEW YORK—Apr. 15-16—Businessmen's Consultation, **Hilding A. Peterson, Commercial Officer, Rotterdam/to Toronto.** Sponsor: Commerce Field Office.

NEW YORK—Apr. 16—Int'l Executives Assn. luncheon, Hotel Statler Hilton, 11:45 a.m. Speaker: Hugh Hyde, pres., Johnston Int'l Publishing Corp.

NEW YORK—Apr. 16—FCIB Hardware-Automotive & Allied Trades Group, Advertising Club, 12:30 p.m.

NEW YORK—Apr. 17—Foreign Commerce Club of N.Y., Stevedoring Truckmen and Terminal Operators Night, Grand Ballroom, Hotel Commodore.

NEW YORK—Apr. 18—FCIB Drug, Chemical & Food Export Club, Advertising Club, 12:15 p.m.

PHILADELPHIA—Apr. 18—Phila. Foreign Traders Assn. monthly dinner meeting, Sheraton Hotel.

PHILADELPHIA—Apr. 18-19—Businessmen's Consultation, **Wolfgang F. Robinow, Trade Center Director, Frankfurt.** Sponsor: Commerce Field Office.

PHOENIX—Apr. 17—Businessmen's Consultation, **John C. Fuess, Consul General, Trieste.** Sponsor: Commerce Field Office.

PITTSBURGH—Apr. 18—In-Office Export Workshop, 2 p.m. Sponsors: Commerce Field Office, REEC.

SAN FRANCISCO—Apr. 17—Export Finance & Insurance Seminar, Room 2411, New Federal Bldg., 9:30 a.m.

SAVANNAH—Apr. 16—Businessmen's Consultation, **Michael Dowling, Commercial Attache, Jidda.** Sponsor: Commerce Field Office.

TULSA—Apr. 17—Workshop for Exporters, Chamber of Commerce, 10 a.m. Sponsors: Chamber of Commerce, Commerce Dallas Field Office, REEC.

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